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U.S. TARIFF DUTY BARS EFFECTIVELY FARM PRODUCTS

Gold Shipments No Proof of Favorable Balance in Farm Goods

SOME INCREASES

But Total Volume of Agricultural Products is Only One-third of the Aggregate of 1921

From Our Own Correspondent.

OTTAWA.—The recent shipments of gold from New York to Montreal have led to the inference in some quarters that the balance of trade between Canada and the United States is turning in our favor. It has been intimated that these shipments were caused by increased demand for Canadian products on the part of the United States, and hopeful comments have been made which appeared to suggest that a time was rapidly approaching when our exports to that country would be greater than our imports thence. It would be a mistake, however, to expect early fulfillment of such hopes, which are not borne out by the figures as to trade between the countries, either recently or over a considerable period of years.

It is true that there has been a general tendency to a reduction of the unfavorable balance in our trade with the United States in recent years, but the change has been slow and during this summer there has been a movement in the other direction. During the war and a few years thereafter our excess of imports ran up around three hundred millions and above that figure; but those figures were exceptional. For the last four years the unfavorable balance has been two hundred millions or less; and during the last fiscal year it dropped down to $92,000,000. During the last six months, on the other hand, there has been an increase in this balance; and for the twelve months ending with September it was $102,000,000.

Farmers at Disadvantage

Another government document, which gives details for forty odd agricultural products, indicates clearly that the United States tariff is still effective in protecting American farmers against our competition. This report shows the exports of these Canadian products since the "emergency tariff" was introduced by the Americans in May, 1921; and the final result, put short, is that Canadian sales of these things to the United States are now only a third of what they were when the special protection for American farmers was begun.

A good deal has been said lately about the shipments of gold to Canada being caused by large purchases of Canadian products. There was quite a large increase in exports of Canadian wheat to the United States in September. But that is the only item among the forty contained in this table in which there has been an increase of any magnitude. In fact, as between September, 1921,—after the "emergency tariff" went into effect—and this last September there has been an aggregate increase in all these forty odd articles of $1,158,000; while the increase in wheat alone on the same comparison was $1,176,000. There is no doubt that this increase in wheat exports is due to the exceptionally small crop in the United States this year; and the exceptional character of this September movement is thrown into clear relief when it is remembered that for the twelve months ending with September the exports of Canadian wheat to the United States were only 4,490 000 bushels as compared with 47,930,000 bushels for the twelve months ending with September, 1921.

Decreases Exceed Rises

There have been increases in exports of some agricultural products to the United States, but they have been heavily swamped by the decreases.

The increases amount to only a little over $10,000,000 in value, and this figure is exceeded by the loss in the trade, not only in wheat alone, but in cattle alone or in wheat flour alone. Exports of bacon, hams, shoulders and sides for example have gone up from $102,602 to $358.230, and those of fresh and salted pork from $242,000 to $1,669,000. On the contrary, the exports of beef, fresh, chilled or frozen, have fallen from $3.551,000 to $789,447; mutton and lamb have gone down from $1,298,000 to $97,156. The exports of turnips have risen from $426,810 to $542,302; but those of potatoes have fallen from $1,776,000 to $392,000, or less than a quarter of what they were.

Moreover, taking the government table as a whole, the exports of Canadian agricultural produce to the United States have fallen from $159.-498,000 for the twelve months ending with September, 1921, to $51,814,000 for the year ending with September just past.

HOLT CONTROLS PORT ALFRED?

MONTREAL.—It is understood that Sir Herbert Holt is closely associated with the Port Alfred Pulp and Paper Company—indeed, rumor has it that he now controls this company which is busily engaged in erecting its new newsprint plant.

The Election—And After

AS THIS is written the votes are being polled which will decide Canada's new government. The election is one in which serious issues are at stake, even though they have been beclouded by petty politics during the campaign. With the great body of Canadian taxpayers, who are bearing the chief burdens of the nation's debt and heavy running expenses, the issues rather than the men are the dominant consideration. As the votes are being cast, it is timely to take stock of the national situation to decide what should be done in the best interests of the country by the new government—no matter what its political complexion.

The head of one of the big industrial concerns recently made a tour of this country looking into conditions. It was his first opportunity to see Canada. For years he had been a close student of business conditions in the United States.

"What is your impression of Canada?" he was asked by The Financial Post.

"My feeling is of exasperation."

"Exasperation?"

"Yes. Exasperation that a country with such great resources is making such poor use of her opportunities," he explained. "It seems to me that Americans have more confidence in Canada than have the Canadians themselves," he continued, "and this is borne out by the investments of American capital being made here. My company has made huge expenditures here, convinced that there are great opportunities for development, but if Canada is to come into her own there will have to be more enterprise and more accomplishment on the part of Canada herself."

That feeling of exasperation is shared by many Canadians, who see opportunities for progress and development neglected and new enterprise discouraged by heavy taxation and other handicaps, not borne by industries of other countries, with which Canada has to compete. We have heard it said that the Twentieth Century is Canada's so often that we have come to believe it without realizing that a quarter of that century has passed without any real indication that the optimistic forecasts will become a reality.

A Call on the New Premier

At this time The Financial Post presents the important issues before the country and calls upon the head of the new government to face and deal with these problems in the interests of all the Canadian people.

TAXATION—The reduction of the tax burden on business so as to give industry and commerce encouragement to expand. To this end national expenditures should be cut and government departments run on a basis of business efficiency. Expenditures on public works should be suspended for a term of years or until conditions improve. Income taxes should be reduced to a basis comparable with that of the United States if business in this country is to be given an opportunity to compete and if the migration of Canadians to that country is to be discouraged.

TARIFF—Prosperity demands the maintenance of a tariff to encourage increasing production in Canada by those industries using Canadian products as their raw materials, and all industries manufacturing goods for the home market but which will not permit combines to unduly raise prices to the detriment of consumers. This policy to be enforced by a permanent commission to act in an advisory capacity to the government in the scientific study of tariff matters.

TRANSPORTATION —Discontinuance of capital expenditures on the government railways and reduction of operating expenses to the end of eliminating deficits. Business-like efforts to co-operate with the Canadian Pacific in providing efficient service without duplication but under fair competitive conditions. The appointment of a body which will insure the operation of the National lines without political influence and if this is found impossible the lease or sale of the system to a private company and the whole problem left in the hands of the Railway Commission.

IMMIGRATION—The improvement of economic conditions throughout the country by encouraging industry and reducing taxation until prosperity returns and brings with it not only a wave of immigration but the discontinuance of emigration. This involves a policy which will encourage the influx of new citizens and the removal of the present stringent regulations which are keeping out desirable as well as undesirable newcomers.

NATURAL RESOURCES—The development of all raw materials and natural resources — water powers, pulpwood, nickel, asbestos, etc.—in the interests of Canada by regulating exportation but giving foreign manufacturers now being supplied an opportunity to move their plants to Canada.

If these questions are faced by the new administration with a determination to serve the best interests of Canada, whether it is formed by Liberals, Conservatives or Progressives becomes of secondary consideration.

Winnipeg Electric Bylaw Will Not be Submitted

WINNIPEG.—The by-law for the purchase of the Winnipeg Electric Railway for $13,127,000 will not be submitted to the ratepayers at the civic election in November. A special committee from the council referred the matter back for further consideration. A rumor that the company was prepared to accept a million dollars less than the stated figure was contradicted by A. W. McLymont, the general manager, in a letter read before the committee.

SPANISH MILLS BUSY

Owing to the increased demand for newsprint, the three mills of the Spanish River Pulp and Paper Co., are operating at capacity, according to J. J. Noble, secretary of the Sault Ste. Marie Board of Trade.

Big U. S. Copper Interests Reported Flin Flon Buyers

Official Announcement May Come Shortly—C.P.R. and Smelters Are Reported as Being Interested—Mine Has $30,000,000 Ore Reserves

An early official announcement is expected from Mining Corporation in regard the sale of Flin Flon and other Manitoba properties. It is believed that the printed notices are already on their way to England to be released to shareholders simultaneously with the news here.

It is difficult to get a line on the buyers, but it is believed that the deal was put through by R. E. Phelan, mining engineer for Metals Exploration Co., of San Francisco. It is believed that Metals Exploration is an exploratory organization representing three large copper producers of the United States and that Mark L. Requa, mining engineer, San Francisco, is one of the chief representatives of this concern.

Rumor associates C.P.R. and Consolidated Smelters of Canada as also being involved in the deal.

Flin Flon Copper was sold to Mining Corporation by Jack Hammil as head of the group of prospectors who staked it. The purchase price was said to be $1,000,000. The Mining Corporation report shows the Flin Flon and other optioned properties carried at $1,516,000.

Flin Flon is a low grade copper proposition which is said to have $30,000.000 of copper ore proved. It is located about 100 miles north-west of the Pas in Northern Manitoba, close to the Saskatchewan boundary. Mining Corporation spent considerable money proving it up, by diamond drill and underground development. The C.P.R. is said to be interested in getting the freight. It is said to have a line surveyed to within 100 miles of the mine and that this branch is headed direct for Fort Churchill on Hudson Bay.

It is understood that the new group will go ahead with the development of the property and that this will involve the expenditure of millions over and above the purchase price. It is understood that the deal will involve all the holdings of Mining Corporation in Quebec. This will include the producing Rex gold mine at Herb Lake and the Crydelman claims, staked in Central Manitoba and which are said to be looking excellent, not unlike the Dome in general structure and gold content.

"BEER" COULD BUY THE FRONTENAC CO. WITH NEW MONEY

Will Raise Over $3,000,000, Which May be so Used

MAY BE CONTROL ONLY

In Any Event it Would Seem That the War Between These Interests Will be Ended and Better Profits Should Result

From Our Own Correspondent.

MONTREAL.—Will the National Breweries, on the completion of its new financing, purchase the control, or a large block of the stock of the Frontenac Breweries? Appearances point to the fact that this may be the management's intention, for, in the circular letter offering new stock to the present "Beer" shareholders, there appears the following:

"The proceeds of the stock thereby offered will be used to provide for ...... the acquisition of other securities ...."

It will be recalled that the conclusion of the beer war was due to the purchase of the Frontenac Breweries by Donat Raymond and interests associated with him; the price paid was $120 for all the shares, both common and preferred.

It has long been thought that the National Breweries were behind this deal, and the issuance of new stock, the proceeds of which may be used in part to buy securities, lends added force to the arguments of those who say that the Frontenac Breweries are now associated with the National Breweries interests. In this connection, those who are in a position to know, feel that the Frontenac will not be purchased outright by the National Breweries—probably the latter may acquire either a large block of the stock, or possibly the control of the former; in this way beer wars would be avoided in the future.

Would Benefit by Control

By the sale of its new issue of stock, the National Breweries will receive some $3,150,000 in cash. The Raymond interests paid $2,400,000 for Frontenac; consequently, National Breweries could pay this same price to the Raymond interests, and, if necessary, buy out the whole organization which would still leave the National with $750,000 for other purposes, or to pay off any bank loans. The company's bank loan in the last balance sheet stood at $600,000.

However, the consensus of opinion seems to be that the whole of the stock of Frontenac will not be purchased; only a portion. This means that if the deal is consummated, Frontenac will operate more or less as a subsidiary of the bigger concern, and, if not as a subsidiary, certainly in the closest harmony.

Canada and Mexico Are Supplying U.S. With Labor

NEW YORK.—Not only have a large number of countries fallen far short of the quota allowed them, but the net gain of immigration has been considerably reduced by the heavy outgo of aliens. This outgo, offsetting or exceeding arrivals, consisted of Italians, Greeks, Hungarians, Bulgarians, etc.—the nationalities supplying the most common labor.

These statistics have been gathered by the National Industrial Conference Board, which says that Canada and Mexico are now the chief sources of immigrant labor—the influx from these two countries having yielded a net immigration of 130,193, or nearly two-thirds of our total net immigration for the year. The net gain of skilled labor during the year was 42,422, compared with 143,616 the year before. Farm laborers came in larger numbers than miscellaneous common labor, and arrivals exceeded the departures in this class by 14,764.

Mellon's Policy to Encourage Business in Interests of All

Tax Reduction Program is on the Sound Economic Lines for the Country's Development Laid Down Many Years Ago by Alexander Hamilton

The Mellon plan for tax reduction in the United States holds vital interest for the Canadian people. The Canadian government must consider some course to bring taxation in this country more into keeping with that of our neighbor if the exodus of our people is to be stopped and enterprise encouraged. The important announcement of his proposals by the Secretary of the Treasury to the Ways and Means Committee, was heard by a young Canadian economist, J. Courtland Elliott, now continuing his studies in Washington, who sends the following impressionistic article for readers of The Financial Post.

WASHINGTON.—"Every new scene which is opened to the busy nature of man to rouse and excite itself is the addition of a new energy to the general stock of effort. The spirit of enterprise, useful and prolific as it is, must necessarily be contracted or expanded, in proportion to the simplicity or variety of the occupations and productions which are to be found in a society. It must be less in a nation of mere cultivators than in a nation of cultivators and merchants; less in a nation of cultivators and merchants than in a nation of cultivators, artificers and merchants."

This quotation was made in 1791 by Alexander Hamilton, first secretary of the United States treasury, in his celebrated report on manufactures when the new republic was casting about for a suggestive policy of nation expansion. Throughout the intervening years the United States has sought this diversified agricultural, industrial and commercial prestige. It came forcibly to my mind when I listened to Secretary of the Treasury Mellon, who has assumed the mantle of Alexander Hamilton in this new era, endeavoring to reinforce this policy by his exposition before the Ways and Means committee of the business benefits to follow from tax reduction.

With the committee ranged in a semi-circle before him, a squad of

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Newsprint Mills in Race for Increased Production

Projected Increase Looks to be About 100% For Newfoundland and Canada in Next Two Years—Effect on Canadian Newsprint Stocks

From Our Own Correspondent.

Present daily capacity of North American newsprint mills approximately 10,000 tons

Coming on market within eight months	Tons	Projected mills (on market in about two years)	Tons
Port Alfred	200	Price	200
Wayagamack	200	Port Alfred	200
Newfoundland Pulp	400	Ontario Paper	200
Price	200	Fort William group	1,300
International	400	Manitoba	200
Powell River	100	Ste. Anne's	200
Backus	100	Backus	200
		Rothermere	400
	1,600	St. Regis	400
Add projected mills	3,600	International	400
	5,200		3,600

Indicated increase in daily production of North America	5,200 tons	52 per cent.
Indicated increase in Canadian production	5,200 tons	104 per cent.

MONTREAL.—The newsprint situation in Canada has altered materially even during the last week or two. At the present time there is overproduction of newsprint; this has resulted in the lowered price for 1926. Yet the foregoing table will indicate to the investor that the rush into the newsprint business has not stopped yet—indeed, the figures almost indicate that another era of expansion is about to begin.

Last week, the Ontario Minister of Lands and Forests announced that his department had sold pulp limits to the Great Lakes Paper Company, the Thunder Bay Paper Company, the Provincial Paper Mills, and the Nipigon Fibre Mills Company, sufficient in size to increase the newsprint production at the head of the lake by 1,300 tons daily. Under the terms of the sale, the companies agreed to commence operations within thirty days, leading to the ultimate production of this amount of newsprint.

This additional production is shown in the table above under the Fort William group. From the table it will be seen that 1,600 tons a day will be on the market within the next eight months—but some of this production is even now being sold, for example, the Newfoundland Pulp and Power Company is just now entering production.

Under the head of projected mills there are, of course, some listed which will not produce, and on which construction may not even start. In this category falls the St. Regis. This company has laid no definite plans for its mill as yet, but, undoubtedly, it is the company's intention to ultimately produce here. Anyway, some of these probable producers will drop out, due to the over-expansion in the industry, but it is more than likely there will be found others who will venture in and replace at least some of those who drop out.

Anyway, all indications point to a tremendous increase in Canadian production within two years, which must have some effect on the future of the Canadian newsprint stocks. There seems to be no doubt whatever that this increase of, say, 50 per cent., will not be met by a corresponding increase in world consumption. What, then, will be the result as far as the investor is concerned?

Earnings to be Low

The figures indicate nothing but lower earnings for all the companies in the industry—indeed The Financial Post has been forecasting this for some considerable time. It is not the mills which are at present under construction, and which will produce shortly that will cause trouble, but

(Continued on page 6)

Three of Canada's Finance Leaders May Join Besco

There seems to be more in the British Empire Steel situation than appears on the surface. In well-informed circles it is understand that negotiations are quietly proceeding that will bring three of Canada's leading financiers into Besco, providing not only new capital for the corporation, but new blood for the directorate and executive.

The possible entry of these three men into Besco's affairs is linked with the report now being prepared on the corporation by W. H. Coverdale; prominent New York engineer and steel man, who is president of Canada Steamships.

Of the three men mentioned as likely to interest themselves in a big way in Besco, one is a prominent investment banker; another is a Montreal capitalist with wide growing interests, and the third is a man who has been identified with various Besco interests since before the merger.

ST. LAWRENCE PAPER EXPANDS HOLDINGS

Rumored Will Acquire Holdings of Tourville Lumber Mills Company

From Our Own Correspondent.

MONTREAL.—The St. Lawrence Paper Mills is to extend its sphere of operations by acquiring the control of the Tourville Lumber Mills Company; it is said that negotiations for the acquisition of either a large block of the stock or the control of the company are to all intents and purposes completed — The Financial Post has not as yet been able to obtain official confirmation of the deal. This will, no doubt, be forthcoming shortly.

The Tourville Lumber Mills Company has long been successfully engaged in the lumber business at Louiseville, P. Q., about half way between Montreal and Three Rivers. The company's holdings include lumber mills and 340 square miles of timber limits.

A deal of this nature should work out well for both the Tourville interests and the St. Lawrence Paper Mills, for the lumber business in eastern Canada has been encountering the keenest of competition this year, and prices have been low; consequently under the new arrangement the company can sell in a wider market, either pulpwood to the newsprint company or lumber to the trade. The St. Lawrence Paper Mills stands to benefit, in that it will have the opportunity of having the first bid on the Tourville pulpwood.

Evidence of Better Markets for Pulps

MONTREAL. — An indication of the improved market for chemical pulp is contained in the news that the International Paper Company has raised the prices on part of its production.

The Paper Mill, with regard to the price increase, says as follows:

"The price of bleached sulphite pulp produced at the Hawkesbury, Ont., mill of the International Paper Company will, on Nov. 1, be advanced to $80 a ton. The present price is $77.50. This advance is due to the excessive demand for the Hawkesbury product which has developed during the last three months."

The production of the Hawkesbury mill, which at one time formed part of the Riordon Company, is noted for its quality—a considerable portion of the production goes into the manufacture of rayon, or artificial silk.

There has been considerably less activity in Brazilian Traction during the past week, but little change in the price which has been holding close to the 80 mark.

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The Business Outlook in Canada

Conducted by H. M. CAMERON, Statistical Editor, The Financial Post.

WHERE LACQUERS STAND IN PAINT INDUSTRY TO-DAY

George Henderson, President of Brandram-Henderson, Discusses Important Topic

Montreal, October 22, 1925

The Editor,
The Financial Post:

There has recently been much discussion concerning the new type of finishing material, pyroxylin lacquer. Opinions have ranged widely from a frank condemnation of the project, to such sweeping statements as that appearing in your issue of August 14, last—viz—the assertion that the paint and varnish industry was facing the greatest revolution in its history. To those who have followed the situation during the past few years it is apparent that the true position lies between the two extremes, nearer, if anything to the lower limit than the higher.

No one has yet produced a perfect protective finish on a cellulose ester base, although great progress has been made since the opening of the twentieth century. Due to its use in explosive preparations nitrocellulose had been the subject of a great deal of study, and the method of nitration to the proper degree was well understood. The only remaining problem was to master its treatment so that a grade of ester might be produced which would, when dissolved, give a solution of sufficiently low gravity to make a spraying lacquer practicable. This point was generally achieved in the appearance on the market of the now Universal "½ second" graded. On the whole the cellulose esters are well under control, although their stabilization offers a wide field for investigation. There is no limit to the possibilities for supply, as, with the production of alpha-cellulose from wood pulp the cotton source might well become a secondary consideration.

It is with the solvents, both direct and indirect that the future of the lacquer field rests. In this direction, too, immense strides have been made, beginning with the basic patents of Stevens on the use of the lower alphatic acetates as solvents for pyroxylin. Commercial production of these solvents almost immediately followed, as it since has in the case of a number of the now generally accepted lacquer vehicle components. With the increased volume of research it was quickly seen that the ultima thule in solvents was still in the realms of enchanting possibility. We believe today that it is still so situated. What we must have in order to bring cellulose ester finishes into primary importance as serious competitors of oleo-resinous compositions is a solvent, an inexpensive one, in which both pyroxylin and gums will be readily soluble and easily blended, a solvent which will be relatively free from the characteristic odor of the acetates, alcohols and carbonates, and one in which enamel and paint films will be quite insoluble. When we add that such a fluid must be of a lower order of inflammability, it will be noted that the industry is far from its goal.

The greatest industrial revolution that the world has ever seen, that of the substitution of automotive force for physical labor, was commenced by Arkwright and Stephenson in the latter part of the eighteenth century, and was still far from completion at the close of the nineteenth. Revolution in the paint and varnish industry is certainly not incipient. In all probability lacquers will take their place as an indispensable section of the protective coating industry, they have already begun to do so, but we do not think there will be complete substitution of them for such major purposes as exterior house painting or bridgework.

Of late the market has witnessed the appearance of a number of lacquers designed for brushing application, and hence for household use, in contradistinction to the spray type. This departure is of importance as it marks a further encroachment of pyroxylin on the purely paint and varnish fields. While a number of very fair brushing lacquers are now obtainable, it is difficult to state as yet how these will be received. They are still too hedged about with precautionary measures to be safely placed in the hands of all and sundry.

Progress has been made, much more progress will have to be made before pyroxylin coatings are at their zenith. The workers in the field are in proportion to the magnitude of their task. When ultimate sucess has come the paint manufacturers will be found prepared in advance to give lacquers an honorable place beside the best of their staple products.

We trust in asking that this letter appear in one of your early issues, we are not trespassing on your valuable space, and that you will feel it to be a contribution of interest to your readers.

Brandram-Henderson
GEORGE HENDERSON,
President and General Manager.

Demand For B.C. Fruit Far in Excess of Supply

British Columbia canning and fruit growing firms are having difficulty in supplying the rapidly increasing demand for these products in the Orient and elsewhere. An advertising representative of a large eastern business house called on a number of these firms last week, and found that although they were thoroughly solid on the value of advertising, and normally did advertise their goods, they had nothing left to sell. One large canning company had five thousand cases on the dock the previous week, but sold every case for export.

The same is true of the large apple growers of the coast province, especially in the Vernon area. A number of firms and private individuals were approached with regard to their apples, but it was found that they would have none to sell until the 1926 crop was picked. Foreign demand was given as the explanation in most cases. The head of a leading firm stated that he was receiving telegrams daily for apples and could only reply that he had none.

The U.S. Coal Strike Has Benefits For Canada

SYDNEY.—Prospects for a prosperous winter in the Nova Scotia coal and steel industries continue to brighten. The continuation of the American strike is expected to bring coal orders aggregating about 50,000 tons a month which with work in hand will keep the mines going until practically the opening of the 1926 water shipping season. Rail orders are being rushed ahead at Sydney and the S. S. Lingan sailed recently with 6,000 tons for delivery at Three Rivers, Quebec. The S. S. Twickenham also recently took 5,000 tons to the same destination.

The only dull spot continues to be Dominion No. 6 where the men have worked only 14 days since January. A delegation which recently interviewed Premier Rhodes got a promise of early action to relieve the hard situation of this town. Due to changes in the ratings of certain classes of workers and the "boring from within" tactics of the Reds in Pictou county about 1,000 men have left the U. M. W. since the end of the big strike.

GOOD SEASON FOR LOBSTERS

HALIFAX.—The lobster fishing season this year was the most successful in the history of Western Nova Scotia. During the season 86,287 hundredweight of lobsters were caught with a value of $1,371,992.

Death Duties Cannot be Evaded But Often Materially Reduced

Provinces Unlikely to be Influenced by Agitation for the Abolition of So Ready a Source of Revenue — Last Article in This Series

This last article of a series on succession duties in Canada brings the loose ends together—makes some pertinent suggestions with regard to winding up an estate—compares the rates, and the revenue derived in the various provinces, and touches on the mooted question of whether the succession duties should be retained, or whether they should be abandoned as a means of attracting capital for the development of the country. Naturally, it has been possible in such a series, to cover only the "high lights." More detailed information will be gladly provided readers on request.

IF NOTHING else has been learned from the present series of articles on succession duties, two conclusions, at least, should have been drawn. One is that a little care and forethought will frequently take a large slice off the death duty required. The other is that there is no universal rule which will assure the minimum duty in all cases. Each estate must be considered on its own merits.

One alleged general rule which has often proven a stumbling-block is that it is always best to pay the succession duty immediately. This rule has been known to cost estates thousands. In general, it is true that if payment of the succession duty arising out of the death of the head of an estate be delayed until after the death of the widow, a revaluation of the estate must again be made, and this means a second succession duty. Yet it frequently occurs that revenue from the investment of the amount that would have been paid into the provincial treasury, is much larger than the amount that would have been saved by prompt payment. Various factors must be considered in such a case. Aside from the question of whether the money is tied up at the moment, there is the point of the rate of interest charged by the province concerned. In Manitoba, Alberta and British Columbia, interest is payable at the rate of six per cent. from the death date, unless the duty is paid within six months. Saskatchewan and Prince Edward Island require the same rate, but the former allows 12 months before the interest commences, and the latter, eighteen. Ontario and Nova Scotia allow eighteen months and then collect interest at the rate of five per cent. If the tax is still unpaid, Ontario dates the interest back to the date of death as a penalty. New Brunswick also collects five per cent. but allows only six months' grace, while Quebec allows only four. Nova Scotia and Ontario go a step farther and allow a discount of three per cent. if the levy is paid within eighteen months. Legislation was passed at the last session in Ontario to raise this premium to four per cent. All these factors have a direct bearing upon the time of paying the tax.

General Power of Appointment

Another factor which sometimes presents a problem has to do with the disposal of her estate by a widow, as provided for in the will of the husband. In making the original will, if the widow is given "general power of appointment," i.e., allowed to will the capital to such person or persons as she wishes, she is deemed, for succession duty purposes, to be the owner of the whole estate, but if this power of appointment is in any way restricted in the settlement of the estate, she is not deemed to be the owner of the property. This is a case where a few words in the will may save the estate a large amount.

In the matter of exemptions, also, there is a wide variation. The three Maritime provinces as well as Ontario and British Columbia, allow exemption on bequests made to charities, with certain limitations as to disposal of same. Quebec exempts $1,000 to any one charity, and reduces the rate in the case of hospitals. Alberta allows exemption up to $2,000 for any one purpose. Saskatchewan and Manitoba allow no such exemption, although the latter lowers the rates to those of collateral relatives.

Some Insurance Exemptions

While insurance policies are not exempt in any general way, as has already been shown, there are certain allowances and partial exemptions. Manitoba, Alberta and New Brunswick, as already pointed out, exempt policies specifically designated for the purpose of succession duty payment. Nova Scotia and Saskatchewan have introduced legislation providing for the exemption of $5,000 in the case of members of class one, that is, immediate blood relations. The Province of Quebec exempts policies of non-residents which were not made out within the province. Prince Edward Island and Manitoba tax only those policies which are payable to the estate. Material saving can be made when these various provisions are taken account of.

What has been said is in no way intended to encourage evasion of death duties. It is the aim merely to enable the reader to arrive at the minimum tax required by the succession duty department, and it is this amount only, presumably, that the provinces wish to collect. There are attempts to shirk the succession duty, as is the case with every other tax, but with these the present series is in no way concerned. An experienced solicitor will advise in the making of a will to the end that the death duty chargeable is the minimum.

Shall We Abolish Death Duties?

Much agitation has arisen of late in various parts of the country for the abandonment of the death duties on the ground that they discourage capital, and retard progress. It is true that they have tended to rise rapidly in some of the provinces. In 1923 the rates in Manitoba became the highest in Canada, ranging up to 47 per cent. The rates of the four Western provinces are materially higher than in the other provinces. This may partly account for the fact that more has been said in favor of abolition in British Columbia than elsewhere. It is urged, and certainly with reason, that this is a capital tax rather than a tax on income, and as such, tends to wear down that portion of the country's wealth which would otherwise be used for further production. It is argued that for a young country such as Canada, presumably in need of capital, to employ such a tax is the height of folly. Florida is said to be literally flooded with capital since abandoning the inheritance tax, and some of the other states have recently lowered their rates, on the ground that unduly high taxes defeat their own purpose and destroy the source of revenue.

With this side of the question the present series of articles is not directly concerned. The aim is to analyze the present situation — not an imaginary, ideal situation. As it is the succession duties constitute a very material source of revenue for the provincial governments. During the fiscal year 1923-24 the yield in all provinces was $9,247,500. The year previous it was $8,277,147. This is approximately eight per cent. of the total yield for those years, and it is strongly probable that the provincial governments will oppose very strenuously, any attempt to abandon this material and readily accessible source of revenue. The best that can be done is to employ such care and foresight as to assure the payment of only the minimum tax collectable.

CAR LOADINGS AT HIGH LEVEL

Despite a slight recession in car loadings from the high record reached in the third week of September, the total for the week ended October 17 is close to the highest point reached during recent years. There were 73,616 cars loaded against 70,077 for the same week last year.

The recent high levels of freight car loadings has brought the year's total to date nearer that of last year. The totals now are 2,280,253 for this year to date, and 2,285,387 for same period last year.

Canadian Conditions

	1925	1924
Car Loadings—		
Week Oct. 17	73,616	70,077+ 5%
Yr. to date	2,280,253	2,285,387— 0.2%
Grain Receipts—	1925	1924
Aug. 1 to Oct. 16	102,457,439	46,053,242+122.6%
Building—	1925	1924
September	19,652,292	$14,772,022—34.6%
Bank Clearings—September—	1925	1924
	$1,287,009,853	$1,324,542,561— 2.8%
Savings Deposits—Chart. Banks—	1925	1924
Aug.	$1,261,375,487	1,178,860,058+ 7.0%
Current Loans—By Banks—	1925	1924
August	878,935,929	963,347,506— 8.7%
Net Dominion Debt—Sept. 30—	1925	1924
	2,359,601,729	2,385,406,851— 1.0%
Wheat, No. 1, Nor. Winnipeg—	1925	1924
	Oct. 26, $1.32	Oct. (Av.) $1.59
Railway Earnings— 8 Months—	1925	1924
C. P. R.	$105,765,016	$113,864,715— 7.1%
Oper. Exp.	90,396,713	97,966,478— 7.7%
Net	15,368,302	15,898,236— 3.3%
C. N. R.	146,661,997	153,173,166— 4.2%
Oper. Exp.	138,276,305	149,244,802— 7.3%
Net	8,385,692	3,928,364+113.4%
Balance of Trade— 12 months, September 30—	1925	1924
Exp.	$1,170,475,868	$1,086,177,945+ 7.7%
Imp.	852,623,241	826,166,002+ 3.2%
Bal.	317,852,627	260,011,943+22.2%

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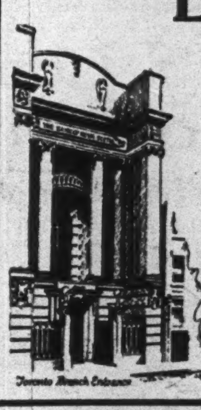

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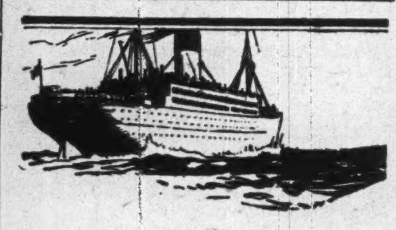
Established 1832



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Deposits (Oct., 1924).....£39,719,331

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THE DOMINION BANK
Established 1871

Besco

Present Position of Investors in Canada's Largest Industrial Corporation

Third Article: Financial Position

From Our Own Correspondent.

MONTREAL.—The British Empire Steel Corporation is one of the most valuable steel and coal properties in the world. There is reason to believe that it is being closely watched by the steel interests in Britain, Germany, and America, and, indeed, by certain interests in Canada. It seems not unlikely that some advantage may be taken of the past few years' depression which has upset the company, and that Besco might be taken over by new interests. The other alternative is a gradual return to better business through finding improved markets for its coal, iron and steel.

Let us consider the earnings of the Besco. Interest on the bonds of its subsidiaries has been met up to date. It also has been able to meet all sinking fund requirements, although the surplus was cut by 2½ millions to do it last year. Should normal conditions of working continue, there appears to be no immediate danger of the company falling down on either its fixed charges, or on the sinking fund requirements. However, should the corporation have any recurrence of the difficulties which have disturbed its operations during the past two years, there might be difficulties in meeting interest charges. Failing to meet interest charges would involve foreclosure by the bondholders on some of the properties. A further outbreak of these troubles might even mean that the earning power of some of the properties might be threatened. This doleful aspect of the case is considerably modified by reason of the fact that the corporation has just passed through the most trying four years in the business history of Canada and has been able to earn sufficient to meet the requirements of the trust deeds securing all its bond issues. The earnings of each subsidiary company are not given out by Besco. For this reason, it is impossible to definitely say which companies are having the hardest time. Anyway, the company is experiencing better business right now than it has done in many months.

Will Not Pay Dividends

In 1924, the preferred dividends of all the subsidiaries were passed. There seems no likelihood of their resumption until the corporation can definitely settle down into production without fear of further interruption. This depends, first of all, on labor conditions, and, secondly, on the general improvement in the companies' markets.

Two courses lie before the management. Either the corporation may drift along much as it is doing today until such time as the market for its products improves, and there seems to be a good hope for improvement, or it may go through some form of reorganization whereby it will obtain the money it needs.

Bondholders and shareholders may naturally ask why put more money into a company which is unable to come anywhere near to meeting its dividends—even the preferred dividends of its constituent companies? Besco has tremendous assets which at the present time are largely unproductive. Ultimately these assets will bring a return, but in the meantime Besco has but one hope of making money, and that is through keeping costs down. This can only be accomplished through the proper investment of funds in expansion where needed, or in scrapping old machinery and employing later and better equipment and methods.

The various plants are of different degrees of efficiency. Consider, for example, the Dominion Iron and Steel plant at Sydney, where iron and steel operations are largely concentrated. The company has vast millions invested there. There are plants there that are useless—for instance, the immense plate mill. It is in excellent shape, yet ship plants find no market in Canada, and the plant is not worth much. Some parts of the plant are obsolete or worn out in service. A few millions invested in new open-hearth furnaces would probably reduce costs of steel production $2 a ton or more. On the other hand, there are modern mills there that are able to produce efficiently under present conditions—for instance, the wire and nail mill.

No great enterprise can stand still; it either moves forward or backward. The forward movement involves capital expenditures to cope with the requirements of new developments in the industry. Therefore, the fact that Besco needs new capital places it on no different basis than any other large industry. However, with better markets, there is still the chance of Besco making good without the necessity of acquiring new capital, at the cost of re-organization.

British Empire Steel Earnings in Review

Consolidated Income Account, Years Ended December 31

	1924	1923	1922	1921*
Total earnings of the properties	$ 923,774	$4,444,346	$2,917,275	$4,416,451
Balance of amounts for cancellation of contract for ship plates	....	....	4,000,000	....
Total income	$ 923,774	$4,444,346	$6,917,275	$4,416,451
Deduct—				
Provision for sinking fund and deprec.	1,112,515	1,112,515	3,627,799	1,501,178
Interest on bonds, etc.	1,948,496	1,978,474	1,676,906	1,181,682
Preference dividends paid	145,033	1,346,524	1,344,299	718,277
Preference dividends accrued	....	....	....	259,388
Surplus for year	$2,357,620†	$6,833	$268,271	$755,926

* From date of merger, April 16, 1924, to end of year.
† Deficit.

Besco's Output

Below are figures of production in what might be called the three primary departments of Besco's activities:

Coal Mined

(Capacity 7,000,000 Tons)

	Tons
1913	6,475,000
1914	6,250,000
1915	5,960,000
1917	4,885,000
1918	4,420,000
1919	4,440,000
1920	4,840,000
1921	4,400,000
1922	4,250,000
1923	5,100,000
1924	4,397,468

Ore Mined at Wabana

(Capacity 5,000,000 Tons)

	Tons
1913	560,000
1914	335,000
1915	125.000
1916	225,000
1917	60,000
1918	75,000
1919	215,000
1920	260,000
1921	x 285,000
1922	790,000
1923	740,000
1924	651,524

x—Not full year.

Pig Iron Production

(Capacity 500,000 Tons)

	Tons
1913	410,000
1914	210,000
1915	410,000
1916	430,000
1917	420,000
1918	400,000
1919	220,000
1920	280,000
1921	......
1922	120,000
1923	280,000
1924	177,033

Figures from 1914 to 1920 show combined production of Dominion Iron and Steel Corporation and Nova Scotia Steel. Due to difference in fiscal years, figures are not strictly accurate. No figures published for 1921.

Steel Ingot Production

(Capacity 480,000 Tons)

	Tons
1913	420,000
1914	300,000
1915	470,000
1916	500,000
1917	500,000
1918	470,000
1919	280,000
1920	360,000
1921	......
1922	140,000
1923	300,000
1924	185,417

See note under pig iron table.

Our Legislatures Restrained by No Law—Human or Divine

The Rights of Individuals Can Only be Protected By Constant Guarding Against Passage of Noxious Legislation

By MAJOR HUME CRONYN, K.C.,
Vice-president and general manager, Huron & Erie Mortgage Corporation, in address to Toronto Empire Club.

I believe that one of the fundamental bases of our civilization is the right to ownership of property fairly acquired—the right of the savage to the canoe he has fashioned, of the pioneer to the fields he has laboriously cleared, of the workman to the home erected or purchased by his hard won savings. Nor is such a belief either original or modern, for we find in Magna Charta "that Charter of British liberty" as it has been appropriately named—the primary principles laid down. The right of private property, including therein the right freely to pledge, alienate or dispose of the same.

In Canada, as in other Dominions following British constitutional precedent, the need of alert scrutiny and immediate protest against noxious legislation is paramount. For we do not enjoy, as does the Republic to the south, a constitution which "divides the powers of government neatly between the executive, the legislature and the judiciary." With us our legislatures, our parliaments, have complete control over the executive and are themselves the final courts of resort. Personally, I consider our own constitution superior, at least in most respects, to that of our American cousins, but there can be no doubt ours demands an electorate who will at all times take a lively and intelligent interest in the political questions of the day.

I recall the argument, during the Toronto Street Railway arbitration, of a well-known American counsel who appeared for the street railway. His qualifications may be judged from the fact that he now occupies a seat on the bench of the Supreme Court of the United States. In that argument he quoted the provision of the American Constitution which forbids the taking of the property of any private citizen for public purposes without due compensation, and by citing various judgments of the Supreme Court of that country he showed that this doctrine had been extended to include excessive taxation, undue cutting of rates and so forth.

Above the Commandments

At the time I could not but help wondering whether this learned counsel had read the judgment of one of the ablest of Canadian jurists (a decision which has never been questioned) pointing out how wholly our constitution differs from that of the States, and how comprehensive are the powers of even our provincial legislatures. The judgment in question, after quoting the classic commentaries of Blackstone, wherein it is set forth that "Parliament has sovereign and uncontrollable authority in the making, confirming, enlarging, restraining, abrogating, repealing, reviving and expounding of laws concerning matters of all possible denominations" (the old authorities were nothing if not comprehensive) goes on to say that the Ontario legislature in dealing with matters within its jurisdiction "can do everything that is not naturally impossible and is restrained by no law—human or divine. The prohibition 'Thou shalt not steal' has no force upon this sovereign body."

When, therefore, it seems clear beyond peradventure that the legislature of any province can take A's property from him and give it to B, or can confiscate it for the use of the state, you will agree it is as well we should keep a sharp watch on what is done within the halls of our various parliaments.

In olden days the struggle was usually to restrict the power of the King so as to prevent the infringement by him or his nobles, of those three great rights of which I have spoken. But to-day our constitutional Monarch is no longer the offender; we have enthroned a new king, "Demos" (as the Greeks termed the people), and, in the words of a witty Frenchman, "the clamor of the market place may be as grave a menace to independence as the favor of the throne."

Curiously enough, in the famous report by Lord Durham on Canadian affairs, which largely brought about that freedom of self-government we now enjoy, he touches on the remedy we are discussing in the following cogent terms—"If the Colonists make bad laws and select improper persons to conduct their affairs, they will generally be the only, always the greatest sufferers, and, like the people of other countries, they must bear the ills which they bring on themselves, until they choose to apply the remedy."

A believer in life insurance myself, I take it for granted that most of you have protected yourselves and your dependents in this manner. In doing so you have entered into contracts with life companies running over a long series of years, and usually calling for fulfillment after your death. These savings of yours, paid in the shape of premiums, are invested in a variety of securities, including mortgages, municipal and government bonds. The protection thus obtained enables you to face the future with confidence, and to sleep sound o'nights.

What would be your feelings were you to discover that the Dominion parliament or the legislature of your own province was enacting laws which imperilled your fancied security? Yet that is the effect of not a little of the legislation passed in recent years, and unless checked by your alertness and opposition, the trend will inevitably be to lessen the value of, and perhaps wholly destroy the savings of a lifetime.

Should we not, then, always stand ready to protest against legislation which, however attractive its immediate object, yet in the end may undermine the securities in which these savings are invested?

3rd Quarter's Failures Show Material Decline

Failure statistics for third quarter of year make a better showing than any similar period for a number of years. There were 468 commercial failures involving liabilities of $7,758,011 against 480 defaults for $17,394,507 for the same period last year, and 705 failures with liabilities of $11,541,492 in 1923. The total for the three months referred to is the smallest since the third quarter of 1920. Failures, according to R. G. Dun & Co., were as follows:

	1925 No.	1925 Liabilities	1924 No.	1924 Liabilities
Manuf.	114	$3,637,345	127	$13,501,254
Trading	323	3,776,027	326	3,400,410
Agents and brokers	31	354,639	27	492,843
Total	468	$7,758,011	480	$17,394,507

RECORD FORD PRODUCTION

DETROIT.—Ford Motor Co., has broken all production records with output of 8,165 cars and trucks in one day. Daily output is expected to reach 8,500 before November 1, making possible a total of 200,000 vehicles for October, which will be the largest month in the history of the company. Less than 60 days after discontinuing its former style passenger cars, the Ford Company has brought the improved types into normal production in all its assembly plants throughout the United States.

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A MONTHLY list of offerings will be sent on request. 31

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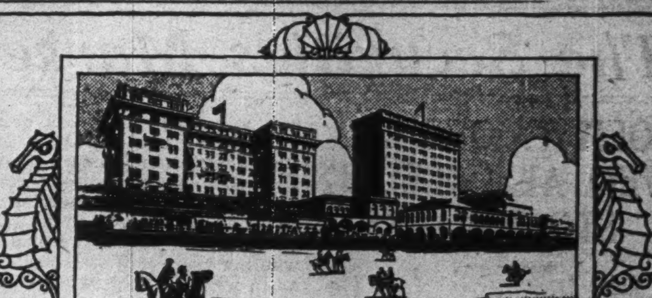

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may be secured by investing your surplus present income in our Accumulative Bonds. The Bonds are issued as required, so that you may invest weekly, monthly or at such times as suits your convenience. Interest ranks from the date the money is received. As small a sum as $78.12 is accepted for investment in these Bonds. This amount purchases an Accumulative Bond for $100.00, payable at the end of five years.
Please call or write for further particulars of this saving and investing plan.
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Assets exceed $47,000,000.00

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"If your problem is this side of the grave, there is always a chance. I will attempt the solution on 'No Solve—No Money'."
"Thanks, Mutton," was his remark later on when he handed me a check for $500.00, adding,
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organization problems
manufacturing problems
merchandising problems
advertising problems
secure my counsel. It will also be one of the best investments you ever made. Let me prove it.
Is every factor in your organization functioning in HARMONY to a 100%, that is,—co-ordinating to the highest degree? If not, I have the remedy.
My work is in co-operation with Sales Managers, and once you realize its full value, you will welcome my analysis.
It is my aim to increase earnings wherever possible with the present facilities, without any material outlay and with the least possible disturbance to the present personnel.
Has the factory any unabsorbed burden owing to plant not running to capacity?
Has the cost of sales, in percentage, increased?
Has advertising programme brought expected results or adequate returns from the appropriation?
Is the sales organization in a contented frame of mind, producing from each territory the proper ratio of business related to the population?
Could the quality of material in the sales organization be improved; and could the present material be moulded into a stronger and more aggressive sales force?
Is the training of the sales force of the character that fits them to meet any line of resistance?
I will render you a true picture of the business, from an independent and impartial viewpoint.
Do not invest money in a business without a thorough investigation as to its future possibilities. It will prove profitable to secure my analysis as to its possible future earnings, from a sales standpoint; also advertising requirements; as well as the manufacturing problems, should there by any.
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TORONTO 2

The Securities Markets

PROFIT-TAKING IS WELL ABSORBED BY STOCK MARKETS

But Distribution is Now Becoming More General

Market Indicator
20 Industrial Stocks

	High	Low
Week of Oct. 28	87.2	84.7
Week of Oct. 21	87.1	84.4
Mth. of Oct., '24	71.0	66.8

Whether the continued strength in the market during the week has been a reflection of better business prospects and the strength in Wall Street, or whether it has in part been due to buying of industrial securities—and the textiles and steels in particular—in anticipation of more prosperous conditions to follow the election, is a matter of opinion. Perhaps all three factors have been at work. The fact that the bank stocks have been prominent in the advance movement would seem to indicate this, as they reflect business generally, rather than in any particular industry or group of industries. In any event strength has been pretty generally in evidence throughout the various groups—utilities and textiles being the only exceptions—as indicated in the following summary:

	Gains	Loss	Unch.	Total
Banks	7	2	..	9
Paper	10	1	3	14
Steel	6	4	5	15
Milling	5	..	7	12
Utilities	2	8	5	15
Tractions	8	3	..	11
Textiles	3	6	..	9
Industrials	25	16	7	48
	66	40	27	133

Apart from political considerations, general economic conditions in Canada favor a continued improvement in business. Money is freely offered and this is a basic consideration in the expansion of trade. It is doubtful if there has ever before been a time in the history of the country when so much money has been available at favorable rates for industrial expansion. Easy money does not necessarily make for good business, but at the same time it is one of the chief essentials. Nor does it appear that marketwise the improvement in business which would seem to be in prospect has been discounted to the extent that has been the case in the United States.

However, experience has well taught Canadian investors that the New York market is a very great influence in fixing the current prices for Canadian securities, and developments in Wall Street are, therefore, being followed with a great deal of interest. For many weeks now the conservative element has been pointing to danger signs, as the result of the continued advances of prices, and when the break came last week it was regarded by those with bearish ideas as the beginning of the end of the bull movement. But after some adjustment of the motor shares, which had shown a very rapid rise, the market evidently got down to a solid basis again and the forward movement was resumed in the steels, rails and many of the industrials. The selling was so well absorbed that it would seem that the buying demands of the public have not as yet been nearly satisfied.

The chief argument of the bears seems to be that prices have been forced too high in relation to any reasonable anticipation of business ahead, while the bulls point to the continued expansion of trade with good months ahead until the end of the year at least, to the money rate which is still low and fails to indicate anything in the way of inflation, to the continued building expansion throughout the country and to the fact that profit-taking is being very well absorbed. Still there seems little doubt that distribution is under way and it is not so much a matter as to whether there will be a major reaction as to when it may be expected. Speculators who now buy stocks will hope to sell them to advantage before the end of the rise, and always under such circumstances one group holds just a little too long. That conservative investors are taking profits is indicated by the following summary of the situation by Hayden, Stone & Co.:

All over the country the speculative spirit is rampant. One would expect that on every succeeding wave the total would reach a new high, but the amounts borrowed for speculation in securities and land has now reached a total that cannot but be considered dangerously high. It has always been an over-extended speculative position that has brought about a downturn in former periods, and there is no reason to suppose that in this respect the present differs from any previous period. No one can say how long, or how far, such a period may carry. It may be a matter of days, weeks, or even months, but one thing one can definitely say, and that is that one who disposes of his industrial shares to-day is selling them at a very high level, far above average prices, and no doubt in many instances, above actual worth. It is far better to do this, even if one does not obtain the peak prices, than because of an over-extended position to be forced to sell at a lower figure when the downturn comes, as it inevitably must.

BREWERIES SHARES NOW TO BE NO PAR

New Stock to Replace the Present Issue With Par Value of $25 a Share

MONTREAL.—At a special general meeting of the National Breweries held this week, the shareholders ratified the decision of the directors to convert the common shares to no par value. Over 80 per cent. of the outstanding common and preferred stock was represented at the meeting.

Under the motion which was authorized, the company has appointed the Royal Trust Company as trustee. It will receive the $25 par value shares and issue the new stock of no par value. The shareholders will be notified as to all the details of the exchange of stock as soon as the necessary letters patent have been issued.

There was only one dissenting voice at the meeting when the motion embodying the authorization had been read. A shareholder inquired how the shareholders are going to benefit from the change to no-par-value stock. He was of the opinion that a stock having a tangible par value should not be converted.

Mr. Dawes stated in reply that the directors were of the opinion that the step would be of great benefit to the company, as it would facilitate financing operations. It will be of benefit to the company in the future. He stated that many large companies have in recent times expressed a preference for no-par-value stock, and that in any case a nominal valuation is very arbitrary. A stock with a par value of $100 inscribed on it is not necessarily worth that much, or it might be worth a great deal more. The important consideration, he stated, was the asset behind the stock and this was not affected and remained the same whether the stock was of no-par-value or of some par value designation.

Just before the adjournment of the meeting, Mr. Dawes stated that a circular letter will shortly be mailed to the shareholders with full particulars. The idea is, he said, to issue as many shares additional stock as there are outstanding at present. This will involve the issuance of 90,172 shares, to which shareholders will be permitted to subscribe at $35 per share on the basis of one share for each share held. In concluding his remarks he stated that the sale of this stock will provide the company with the necessary funds required for its financing needs.

BIG STACK FOR SMELTERS

TRAIL.—Work has been started on another big stack for the Consolidated Mining & Smelting Co. It will be approximately the same height as the one blown down recently, but will be 24 feet in diameter at the top and 40 feet at the base, which gives it a three-foot greater diameter at top and eight feet greater diameter at the bottom than the big stack just completed.

STERLING APPRAISAL REPORTS
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NEW ASBESTOS CO. RECEIVES CHARTER

Shareholders of Asbestos Corp. Will Receive Circular by End of Month

From Our Own Correspondent.

MONTREAL.—Following the dismissal by the courts of the case in which it was sought to restrain one of the asbestos companies from entering the merger, the new charter for the amalgamated companies was issued by the government.

The new company is to be called the Asbestos Corporation, and has a capital stock of 119,997 preferred shares of $100 each, three management shares of $100 each, and 200,000 common shares of no par value. This means that the capitalization of the new company will be as follows:

6 per cent. bonds, $7,500,000.
7 per cent. preferred stock, $1,120,000.
Common stock (no par value) 200,000 shares.

It is understood that the terms of the merger are the same as were announced previously; that is, each common share in the Asbestos Corporation will be exchanged for 1-1/10 new 7 per cent. preferred, plus one share of new common stock; each preferred share will be exchanged for one new 6 per cent. bond and 1/10 new preferred share and one new common. The bondholders will simply exchange their bonds for new bonds of the same par value.

It is rumored that the three management shares will be allotted to J. W. McConnell, president of the St. Lawrence Sugar Co., and a representative of the banking firm responsible for the merger, Dillon, Read and Co. The new board of directors will operate the company, but for the first few years of operation, in order to insure efficient management, this board of three will have the final say in matters of policy.

The new bond issue will be well secured in that the assets behind the mortgage will amount to almost $40,000,000. It is generally thought that these bonds should sell at better than 95. One rumor has it that the investment bankers are underwriting $1,000,000 of the issue, which they will retail at 96.

The Asbestos Corporation of Canada has the circular asking for ratification of the merger by the shareholders ready. This will go out immediately.

"STEAMERS" AHEAD OF RECORD FOR '24

But Has Been Suffering Slump in Business Recently, According to Coverdale

From Our Own Correspondent.

MONTREAL. — After the directors' meeting of the Canada Steamship Lines, which was held here this week, the president, W. H. Coverdale, in discussing the company's position, stated that the expectation outlined by him some weeks ago had been realized. He stated that the company at the present time is about $500,000 ahead of its net position a year ago, and that the liquid position still remains very comfortable. He stated too, that just at present the company is experiencing a slump in business.

A recent dispatch from Toronto indicated that "Steamers" might at present be negotiating with other transportation companies with a view to arriving at some definite conclusion whereby the shipping companies would be able to make better profits. The dispatch said in part:

"About six months ago the heads of three of the leading steamship companies on the Great Lakes were endeavoring to come to some arrangement regarding freight rates. At that time little headway was made but during the present season one company, whose head has been connected with shipping circles for many years, has been able to lower its rates to such a figure that competitiors are now seeking an arrangement; failing this a merger.

"Negotiations are reported to be well under way, with James Playfair, of Midland, in the leading role. Mr. Playfair's name has been connected with steamboating for many years and is highly regarded in this connection. Should a merger be worked out it is expected to include the Great Lakes Transportation Company, the Mathew Line and the Canada Steamship lines. Mr. Playfair is also interested in the Geo. Hall Coal Company, Montreal Drydock, and the St. John Drydocks.

"A consolidation of these lines on a working arrangement would improve net earnings greatly."

SMELTERS AGAIN ACTIVE IN QUEBEC GOLD-COPPER AREA

Noranda Mines Has Right of First Customs Plant, is Report

Consolidated Smelters is again seriously considering the Quebec gold-copper area. The company is said to have taken up some properties. It is stated that an eye has been had to the area with a view of erecting a customs smelter in there, but the right of this has gone to Noranda and is doubtless a concession for the big operation extending assistance to the railway. It may be, however, that neeed of a second smelter will develop and Smelters, whose liquid assets are said to total around $9,000,000, would be in an excellent position to erect a smelter. It is stated that the company is making tremendous profits from its smelter operations in the new plant at Trail. New shippers are constantly coming forward. It is believed in some quarters that Smelters has become interested in the Mining Corporation Flin Flon deal, with a view of having a hand in the smelter operation.

In 1924, Consolidated Mining and Smelting accounted for about 90 per cent. of the Canadian lead production. The government's figures on the lead production in Canada for the first six months of 1925 show that production was 49,300,000 pounds greater than for the same period last year. Production for the first six months of 1925 totalled 128,398,836 pounds, as compared with 79,052,295 pounds in the first six months of 1924. As "Smelters" has been producing such a large percentage of the Canadian production, it will be seen how these figures concern the company.

Again, the company is responsible for about 93 per cent. of the total zinc production in Canada. During the first half of the present year, the output of this metal totalled 55,257,772 pounds, as compared with 29,414,000 pounds in 1924. These figures will indicate the progress which the company must have made.

Not only does the company benefit from its increased production, but it has considerably increased its earnings due to the higher prevailing prices for both lead and zinc. This year, lead is selling at around 88 cents, as compared with the low of 45 cents in 1921. Zinc also has been steadily moving up from 1921, when it sold at 46 cents a pound, as compared with around 72 cents today.

Active buying of Smelters shares has continued, and the price has reached a new high level above 168. Shareholders and investors are still looking for a statement from the directors to explain the improvement in the company's position, which has resulted in advance of about 120 points in the value of the stock.

In a circular dealing with the company's affairs, Macdougall & Macdougall, members of the Montreal stock exchange, say:

"On last year's production the company showed 30.65 per cent. as earned on issued capital, the highest level in all time and nearly double that of 1923. If 1925 estimates are fulfilled, actual earnings on capital stock should reach upward of 60 per cent.

"Such indicated earning power completely vindicates the pronounced rise in the stock this year from 48 to over 165, a new high in the company's history, and promises a still greater appreciation in the future. As the shares are of $25 par value, the present levels represent a price of over $600 for each $100 of par value. The present yield on the stock, of course, is insignificant, the 6 per cent. disbursement according less than 1 per cent. on the investment. Yield is no longer a factor in the situation, having long ago given way to promise of what is to come."

Gold Dust Corporation in Control of Dalley Co.

Negotiations are being conducted by which the Gold Dust Corporation of New York will acquire the F. F. Dalley Corporation. The price mentioned is $8,000,000 cash. New York advices say that control of the corporation, which is the largest manufacturer of trade-marked shoe polishes in the United States, was obtained through cash purchases and exchange of securities with Dalley Brothers, of Hamilton, Ont.; the Bixbys, in Brooklyn, and the Shinola interests in Rochester.

November Dividend Payments

Dividends	$ 4,505,630
Bond Interest	39,620,580
	$44,126,210

DIVIDEND PAYMENTS

Company	Rate	Date	Amount
Amer. Salesbook, pref.	1¾q	2	$ 53,782
Canada Cement, pref.	1¾q	15	183,750
Can. Converters	1¾q	15	30,335
Cape Breton Elec., pref.	$3s	2	9,420
Cedar Rapids	¾q	16	66,750
Christie Brown, pref.	1¾q	2	17,500
A. W. Chase, pref.	2q	10	16,000
Dominion Bridge	1q	15	65,000
Ford Motor	10	16	700,000
Gilman Fanfold, com.	1½q	2	15,000
Do. pref.	1¾q	2	13,125
Hollinger Mines	1.6m	4	287,000
Inter. Nickel, pref.	1½q	2	133,689
Kaministiquia Power	2q	15	49,940
Loew's Buffalo, pref.	2q	2	26,720
Imperial Bank	3+1q	2	280,000
Montreal Power	2q	16	376,000
Montreal Power Cons.	2q	15	1,293,158
Montreal Tramways	$2.50q	2	100,000
Mont. Water & Pr, com.	75cq	14	33,600
Do. pref.	3½s	14	17,500
Mortage Corp. of N.S.	1½q	2	8,901
Ontario Steel, com.	1q	15	7,500
Do. pref.	1¾q	15	13,125
Penmans, com.	2q	15	43,012
Do. pref.	1½q	2	16,125
Russell Motor, pref.	1¾q	2	21,000
Sherbrooke Loan	3s	2	7,500
South. Can. Power, com.	$1s	15	50,000
St. Law. Flour, pref.	1¾q	2	10,062
Steel of Canada, com.	1¾q	2	201,250
Do. pref.	1¾q	2	113,684
Standard Bank	3q	2	144,702
Simpson, Robt., pref.	3s	2	100,500
			$4,505,630

q—Quarterly. s—Half-yearly. m—Monthly.

Bond Interest Due in November

Company	Rate	Due	Amount
Atlantic Coast Coll.	7	1944	$175,000
Alexandra Apartments	6½	1940	11,375
Belding-Corticelli	5	1936	10,837
Brompton Pulp	6	1935	26,790
Do.	8	1941	64,308
Cascade Water Power	4½	1940	3,960
Canada Steamships	7	1942	189,518
Connors Bros.	6½	1938	8,125
Canadian Salt	7	1941	22,925
Consumers Glass	6	1935	16,500
Davies, Wm.	6	1942	70,500
Duluth-Superior	5	1930	23,500
Duluth St. Railway	5	1930	62,500
Dominion Coal	5	1940	129,500
Dominion Park	7	1936	4,200
Dodge Bros. Deb.	6	1940	2,250,000
Granby Consolidated	6	1928	42,870
Manitoba Power	7	1941	262,500
Mercury Mills	6½	1942	24,960
Montreal Cotton	5	1943	15,122
National Cement	7	1938	52,500
Paton Mfg.	6	1953	18,000
Penmans	5	1926	50,000
Provincial Paper	6	1940	42,750
Porto Rico Rlys.	5	1936	56,787
Do.	5	1962	32,340
Spanish River Pulp	8	1941	115,320
Toronto Power, deb.	4½	1941	88,669
Wabasso Cotton	7	1942	24,517
Wahnapitae Power	6½	1944	16,250
Corporation Bonds			$3,912,023
Municipal Bonds			*3,400,000
Provincial Bonds			*2,800,000
Victory Loan, Ren.	5½	1927	799,381
Do.	5½	1932	2,348,381
Do.	5½	1933	12,283,254
Do.	5½	1934	14,077,541
			$39,620,580

*This figure is determined by dividing by 12 the estimated total interest payable during the year on these issues.

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Canadian Water Power Securities have proven both safe and profitable and in no way can the future prosperity of the Country be better anticipated than by the purchase of such securities.

Our latest booklet descriptive of several Canadian Water Power Developments will be gladly forwarded upon request.

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INTERNAL AUDITOR

Wanted for large industrial company in Toronto. Must have thorough knowledge of accounting, coupled with good general business experience. Give references and state fully general education, age, previous business connections, salary received in past.

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Toronto's Amazing Growth

On the basis of present population Toronto has 22 telephones per 100 inhabitants.

Toronto has now 150,000 telephones!

It seems only yesterday that we were announcing the one-hundred-thousand mark had been reached. Telephone history in Toronto began in 1881, when 40 subscribers were served from a little upstairs room at 10 King Street East. That upper room was soon outgrown. In 1881 there were 400 telephones; in 1891—3,818; in 1901—8,105; 1911—37,982; 1921—99,630; 1925—150,000.

Of these 150,000 telephones, 97,000 are in the homes of Toronto householders.

Toronto has more telephones per hundred of population than New York. Through her fifteen exchanges 1,265,000 local calls are made each day, and her subscribers daily place more than 6,000 calls for distant points. "Information" calls average 10,000 daily.

Outlay for telephone plant in Toronto has averaged over two-and-one-half millions yearly for the past six years. For the first eight months of 1925 the expenditure exceeded four millions.

Our construction programme in Toronto never ceases. A new exchange is going up now on Asquith Avenue, another on Runnymede Road. The "Hargrave" building on Simpson Street is under way, together with extensions to the "Grover" and "Junction" buildings. "Lombard" has just been completed. A new garage and warehouse is under way on Shaw Street.

Over 80 per cent. of the 445,000 miles of telephone wire in Toronto is underground.

The telephone workers of the city number 4,300. The service they provide gives Toronto telephone users more for what they pay than can be obtained anywhere else in the world.

Each new subscriber adds to the value of your telephone.

Frank Kennedy - Manager
THE BELL TELEPHONE CO. OF CANADA

BIG INCREASE IN PROFITS OF C.P.R. FOR SEPTEMBER

Net for Nine Months Now Ahead of Last Year

MONTREAL.—Good reading for C. P.R. shareholders is furnished in the September statement of gross earnings, working expenses and net profits, issued last week. A combination of increased gross earnings and the keeping down of expenses to an increase of less than half of the increase in gross, resulted in one of the most favorable months the road has reported in a long time.

Net profits, in fact, are probably the best shown for any September in the history of the company, while gross was the largest for any September since 1921.

The good gain shown in August indicated that the C. P. R. would soon be ahead of its 1924 showing, and the increase of nearly $1,750,000 in net for September placed the road up well over a million above the 1924 figures at the end of September. The showing for the first three-quarters is the best recorded for that period since 1921.

	Sept., 1925	Increase
Gross	$18,909,071.92	$3,415,088.24
Expenses	12,641,452.72	1,695,114.35
Net	$ 6,267,619.20	$1,719,973.89
From January 1st		
Gross	$124,674,088.05	x$4,684,610.83
Net	21,635,921.93	1,190,039.67

xDecrease.

In July, 1912, Canadian Pacific Railway shares sold at 282⅞ in the Canadian market. In 1907 the dividend increased from 6 to 7 per cent., in 1910 from 7 to 7½ per cent., and in 1911 from 7½ to 10 per cent. Since 1911 the company has paid 10 per cent. regularly in its ordinary shares each year in the form of 7 per cent. drawn from the railway earnings, and 3 per cent. from steamship and other subsidiary sources. At the present time Canadian Pacific Railway shares are quoted at about 150, at which price the yield to the investor is 6-2/3 per cent. In 1912 at 280 the yield to the investor was only about 3½ per cent. During the last five years the price of the company's shares has fluctuated within a comparatively narrow range—between 114 in the slump and 162½ in 1923.

C.N.R. Net Earnings Doubled This Year

From Our Own Correspondent.

MONTREAL.—The Canadian National Railway has made rapid strides this year in keeping its operating expenses down. This is especially noticeable in the earnings during the first nine months of the present year for, while the gross earnings of the road have fallen over $3,000,000, yet the net earnings, after deducting operating expenses, are up over $6,000,000 from 1924.

During the month of September, the road experienced a decided improvement in gross earnings, when compared with 1924. This favorably affected the net, which increased almost $1,800,000.

The earning figures for the month of September and for the year to date should prove heartening both to the taxpayer and to the business man, who regards them as an index of the trend of business. They are as follows:

Sept.	1925	1924	Inc.
Gross earn.	$22,606,263	$19,311,459	$3,294,804
Op. Exp.	18,666,192	17,164,003	1,502,189
Net earn.	3,940,071	2,147,456	1,792,615
Nine months—			
Gross earn.	169,268,260	172,484,625	x3,216,365
Op. exp.	156,942,497	166,408,805	x9,466,308
Net earn.	12,325,763	6,075,820	6,249,943

xDecrease.

Net earnings for each September for the past four years have been:

1925	$3,940,071
1924	2,147,456
1923	1,849,457
1922	1,700,327

Net earnings for the first nine months of each year back to 1922, have been:

1925	$12,325,763
1924	6,075,820
1923	6,929,695
1922	581,216

Besco Plant Secures Large Railway Order

From Our Own Correspondent.

MONTREAL.—The British Empire Steel Corporation has received an order from the Canadian National Railways, which it is estimated will require from 60 to 90 days to execute. This order is most opportune in that it coincides with the cleaning up of the Canadian Pacific order for rails and angle bars which will be concluded this week.

The order received from the National Railways is as follows: 53,213 gross tons of 8,500 pound rails, tie plates, angle bars, spikes and track bolts, divided as follows: 43,320 rails, 6,950 tie plates, 2,225 angle bars, 816 spikes and track bolts.

That the Sydney plant of the corporation will operate at full capacity until February 1 was confirmed this week by H. J. Kelly, general manager.

Public Utility Earnings

BARCELONA TRACTION EARNINGS

	1925 Pesetas	1924 Pesetas	Increase Pesetas
September—			
Gross Earn.	6,965,437	6,123,551	832,886
Oper. Exp.	2,528,004	2,153,012	374,992
Net Earn.	4,437,433	3,979,539	457,894
Agg. Gross from Jan. 1st	63,660,470	58,015,012	5,645,458
Agg. Net from Jan. 1st	41,817,868	36,637,677	5,180,191

TWIN CITY EARNINGS

3rd Quarter—	1925	1924	% Inc. or Dec.
Gross rev.	$2,847,326	$2,892,230	—01.55
Oper. exp.	2,253,774	2,1[illegible]5,823	+04.06
Net Rev.	593,552	726,407	—18.29
Fixed charges and taxes	537,165	591,070	—09.12
Net inc.	56,387	135,336	—58.34
9 Months—	1925	1924	% Inc. or Dec.
Gross	9,231,792	9,527,685	—03.11
Oper. exp.	6,853,484	6,968,917	—01.66
Net rev.	2,378,307	2,558,767	—07.05
Fixed chgs.	1,663,696	1,819,241	—08.55
Net inc.	714,610	739,525	—03.37

Agree That Smelters Board Should Break Its Silence

O'Brien and Williams, members Montreal stock exchange, say:

"The Financial Post calls upon the directors of Smelters to make a statement of the company's position in view of the very excited speculation now going on in the shares. Directors of a company are in no way responsible for the gyrations of the stock market, nor should they be called upon to deny or confirm a mass of rumors which emanate from the fertile intellects of a crowd of excited speculators. If they were expected to do it, they would spend a good part of their time talking to the newspapers. At the same time, the Smelters movement has attained unusual proportions and possibly a statement from the board would not be unwelcome. An official statement of earnings would clear the air and let the public know just how the situation really stood."

BANK SHARES' RISE REFLECTS OUTLOOK

Steady Accumulation Has Been Going on at Rising Prices

All bank stocks have recorded rather remarkable advances this year. With few exceptions they are now selling at the high mark. The buying of bank shares is generally accepted as reflecting the improvement in bank business, which in turn reflects the general outlook for all business throughout the country. The investment demand on the banks has become much brisker the last few months, and a few weeks ago the stocks were carried to such a mark that some selling was attracted, and the prices eased slightly to firmer levels.

The range of bank shares since the first of the year follows:

	First of year	High	Low	Present
Commerce	197	222	194¾	222
Can. Nat.	150	152½	148	152¼
Dominion	193	213	189	207½
Imperial	190	200	184	198½
Montreal	245	271	240	267
Nova Scotia	265	284	262	282
Royal	227¼	246	227½	255¼
Standard	171	194	170	189⅝
Toronto	196½	217½	192¾	214

CARS FOR ST. JOHN'S

OTTAWA.—The Ottawa Car Manufacturing Company shipped to-day seven modern electric street cars to St. John's, Newfoundland. These cars are steel frame and embody all the modern safety appliances. They will be loaded on the S. S. Airedale, leaving Montreal this week.

INTERNATIONAL CO. IMPROVES POSITION

Net Profits Substantially Ahead of Last Year's and Working Position Much Better

The year's operations of the International Milling Co., whose mills are situated at Calgary and Moose Jaw, for Canada, and in Minnesota and Iowa, for the United States, have been much more satisfactory than those of most of the other milling concerns operating in the Canadian field. Despite adverse conditions, the net income for the year, after making provision for United States and Canadian taxes on profits, was $790,196 against $703,695 last year. The working capital of the company increased by something over $241.000 during the period, from $2,748,687 to $2,990,332.

According to the balance sheet of the company there has been an annual reduction of the bonds outstanding. At the close of the year the amount outstanding was $497,500 against $518,000 for 1924, and $538,500 for 1923. This has reduced the annual interest requirements from $33,425 in 1923 to $32,208 in 1924 and $30 400 for the past year. A reserve fund of $535,066 has been accumulated since 1922 for maintenance and depreciation and there is also a contingent reserve of $150,000.

An analysis of the income account figures of the company shows a gradual expansion in the profit and loss surplus owing to a steady expansion in the operations of the various mills, and an improvement in general conditions. The income account statement for the past three years was as follows:

	1924-25	1923-24	1922-23
Net inc.	$790,796	$703,695	$405,255
Bond int.	30,940	32,208	33,425
Balance	$759,856	$671,487	$371,830
Pfd. div.	158,851	154,000	37,234
Balance	$601,005	$517,487	$334,596
Com. div.	287,500	230,000	......
Year's sur.	$313,505	$287,487	$334,596
Prev. sur.	2,434,411	2,146,924	1,911,929
Total sur.	$2,747,916	$2,434,411	$2,246,525
Org. exp.	......	......	99,601
P. & L. sur.	$2,747,916	$2,434,411	$2,146,924

Railway Earnings

CANADIAN PACIFIC RAILWAY

Week end	1925	1924	Change
Oct. 21	$4,508,000	$4,395,000	+$113,000

CANADIAN NATIONAL RAILWAYS

Week end	1925	1924	Change
Oct. 21	$6,050,783	$5,141,398	+$909,385

The Stock Market Record

WEEK ENDING OCTOBER 27

	Div. Rate	Yield Oct. 26	High for wk.	Low for wk.	Close Oct. 27	Close Oct. 20	Sales for wk.	Range 1925 High	Range 1925 Low
Banks—									
Commerce	12+1	5.90	222	218	222	219	451	222	194¾
Dominion	12+1	6.27	207½	206½	208	207½	130	213	189
Can. Nationale	10	6.57	152½	151½	151¼	151	287	152½	148
Imperial	12+1	6.56	198½	196½	198½	197	228	200	184
Montreal	12+2	5.28	267	265	265	265	796	271	240
Nova Scotia	16	5.62	284	282	282	283	84	284	262
Royal	12+2	5.49	255½	246	255	246	773	255½	227½
Standard	12	6.34	189⅝	188½	189⅝	188	32	194	170
Toronto	12	5.60	214	213	214	213½	25	217½	192¾
Paper—									
Abitibi, com.	4	5.75	71	67¼	69½	67½	1329	75½	62
Do. pref.	7	6.63	..	..	..	..	..	108	101
Belgo, com.	6	7.05	85	84	85	84	182	86	80
Do. pref.	7	7.14	98	97	98	97½	188	99	95
Brompton Pulp	.	....	23	22¼	22½	22¾	1045	33¼	18½
Laurentide	6	7.40	81	77¾	80½	79	1918	85⅞	73
Price Bros.	2	4.34	47	45½	46	48	1027	55⅞	35¼
Prov. Paper, com.	6	5.71	105	101	105	101	35	111½	88¾
Do. pref.	7	6.93	..	..	..	..	..	182	95
Smith Howard, com.	.	....	39½	39½	39½	39	50	47	21¼
Do. pref.	8	8.20	97½	97½	97½	97	1	106	69½
Spanish River, com.	7	7.00	100½	92½	100	98	2035	111¾	92½
Do. pref.	7	6.16	114⅛	113	113½	113	285	127	110½
St. Maurice Paper	6	6.66	89¾	83	89½	83	1814	89¾	80
Wayagamack	.	....	59	56½	57½	56	253	58	34½
Steel and Steel Industries—									
B.E. Steel, com.	.	....	3¼	3	3⅛	3	5898	3¾	1½
Do. 1st pref.	.	....	36½	30½	36	30½	2599	34	22
Do. 2nd pref.	.	....	14⅛	9⅞	13⅞	10	26509	11¾	6¼
Can. Car & Found., com.	.	....	40	39	40	40	90	57⅞	34
Do. pref.	7	8.80	80	79½	79½	80	180	90¼	78
Can. Fairbanks, pref.	.	....	..	..	..	..	..	46	46
Can. Foundries, com.	.	....	..	..	..	..	..	35	15
Do. pref.	.	....	..	..	..	..	..	57⅞	34
Can. Locomotive, com.	.	....	..	..	..	..	..	71⅞	35
Do. pref.	7	9.03	..	..	..	..	..	90	73½
Dominion Coal	.	....	..	..	..	..	..	50	39¾
Dominion Iron, pref.	.	....	28	23½	28	30	177	30	20
Dominion Radiator	7	6.89	101½	101½	101½	101	55	103½	98½
Dominion Bridge	4	4.18	95½	93	95	95	580	10[illegible]	77
Dom. Steel Corp., pref.	.	....	32½	28½	32½	30	471	38	20½
N.S. Steel, pref.	.	....	..	..	..	..	..	32	21
Ontario Steel, com.	4+1	6.64	75¼	73	73	73½	610	75¼	41
Do. pref.	7	7.14	..	..	..	..	..	100	91½
Steel of Canada, com.	7	7.52	92¾	92	92½	92	1331	9[illegible]¼	80
Do. pref.	7	6.11	114	113⅛	113⅛	114½	24	115½	105
Milling—									
Canada Bread, com.	4	6.72	62	59½	61¾	59½	520	68¼	39¾
Do. pref. A	7	6.54	107	106½	107	106½	88	107½	100
Do. pref. B	7	7.38	95	94⅛	95	95	100	96	85¼
Inter. Milling, pref.	7	7.07	99	98½	99	99	195	102	96¾
Lake of Woods, com.	12	6.85	175	174	174	173	200	198	169
Do. pref.	7	5.71	..	..	..	..	..	125½	121
Maple Leaf, com.	.	....	98	96	96	96	140	100	80
Do. pref.	7	6.76	103½	103	103	103	44	104¾	96
Ogilvie Flour, com.	1½+3	4.75	168	167	168	168	185	180½	135
Do. pref.	7	5.78	122	121	121	121	8	127	121
Shredded Wheat, com.	10	6.06	168⅛	163	163	158⅛	558	168⅛	148
St. Law. Flour, com.	.	....	87	36½	36½	36½	45	65	27
Do. pref.	7	8.75	80	80	80	80	48	82	78½
West. Can. Flour	8	6.66	..	..	..	..	..	120	104½
Utilities—									
Bell Telephone	8	5.75	140	139	139½	139	234	142	132¾
Consumers Gas	10	5.76	174	173	173	175	94	175	164
Jamaica Pub. Ser., pref.	7	7.33	97	96⅛	97	97	75	98½	96¼
Kaministiquia	8	5.75	139	139	139	138	1	140	139
Laurentide Power	5	4.76	..	..	..	..	..	108	93
Mackay, com.	7	5.18	135	134½	135	135	132	142	114½
Do. pref.	4	5.57	71¼	71¾	71¾	70½	209	77¾	67
Mexican Light, com.	.	....	..	..	..	..	..	34	32
Do. pref.	.	....	63	63	63	63	15	64	57
Mont. L. H. & Pr. Cons.	8	3.70	216	214½	215½	216	6018	219	152
Montreal Telegraph	8	6.66	..	..	..	..	..	55	45
Ottawa L. H. & Pr.	6	6.06	..	..	..	..	..	103½	95
Do. pref.	6½	6.38	..	..	..	..	..	109	100
Quebec Power, com.	5	4.56	110	109½	110	110	101	119	85
Do. pref.	7	6.80	..	..	..	..	..	112	103½
Shawinigan Rights	.	....	3½	3	3⅛	3¼	15187	3½	3
Shawinigan	8	4.92	163	161	162	164	996	175	130½
South. Can. Power	1.00	....	80	80	80	80	97	84	67
Transportation—									
Can. Pacific Rly.	10	6.66	150	147	150	150	160	152¼	137
Can. Steamships, com.	.	....	13	11½	13	13¼	685	13¼	10
Do. pref.	.	....	64½	59½	60	63¼	13054	64½	42
Trations—									
Barcelona	.	....	22	21	22	21½	295	24⅛	18¼
Brazilian	4	5.01	79¾	78¼	78⅞	78¾	20150	81¼	49¼
Do. pref.	.	....	97½	97½	97½	97	50	97½	95
Detroit Un. Rly.	.	....	2½	.94	2½	1½	170	29	.75
Duluth-Superior	.	....	32	29	32	29	472	42	20
Illinois Traction, pref.	6	6.25	..	..	..	..	..	95½	92
Montreal Trams	10	5.60	178½	178½	178½	180	10	187	106
Ottawa Traction	4+1	7.84	63¾	63¾	63¾	64	15	66⅜	61
Porto Rico Rlys, com.	.	....	42	41	42	44	141	46⅛	35¼
Do. pref.	7	7.86	89	88½	88½	88	27	91¼	84
Quebec Rly.	.	....	..	..	..	..	..	25⅝	20
Twin City, com.	4	5.69	71	60	71	60	9226	71	58
Do. pref.	7	7.21	..	..	..	..	..	97	94½
Winnipeg Elec., com.	1	....	47	44	46½	44¼	2521	53⅞	35¼
Do. pref.	7	7.36	95	95	95	95	10	99⅝	87
Textiles—									
Can. Coan. Cotton, pref.	1	....	..	..	..	..	..	50	39
Can. Converters	7	7.73	91	90	90	90¼	176	91¼	80
Can. Cottons, com.	8	6.66	123	120	123	120	145	124½	106
Do. pref.	6	6.28	95½	95½	95½	96	60	96	90
Can. Woollens, com.	.	....	..	..	..	..	..	14½	5½
Do. pref.	.	....	60	58	58	59	272	60	40
Dom. Textile, com.	5	5.73	88½	86½	88	87½	1136	90	66
Do. pref.	7	5.95	117¼	117¼	117¼	117½	5	118	111
Monarch Knitting, com.	.	....	..	..	..	..	..	45	30
Do. pref.	.	....	48	47½	48	47	151	80	45
Montreal Cotton, com.	6	5.94	..	..	..	..	..	105	95
Do. pref.	7	6.25	112	112	112	113	11	117½	109
Penmans, com.	8	4.39	182	182	182	184	15	184¼	144
Do. pref.	6	5.68	..	..	..	..	..	105¾	99
Wabasso Cotton	4	6.06	..	..	..	..	..	66½	55¼
General Industrials—									
Amer. Salesbook, com.	4.00	7.01	58	56	58	58	205	60½	38
Do. pref.	7	7.52	94	92½	94	92¼	42	94	88
Brantford Cordage, pref.	2.00	....	26	25½	26	26	378	27½	25
Asbestos, com.	6	6.28	97	93¾	94½	93½	2600	110½	35
Do. pref.	6	5.28	113¾	112	112½	111	533	117	73½
Atlantic Sugar, com.	.	....	36	33½	35	35	5640	37½	13
Do. pref.	.	....	88	84½	83	83	735	88	40
Bird & Son, pref.	7	8.40	..	..	..	..	..	83¼	80
B.C. Fishing	.	....	57	52	55	52½	6512	57	19
Burt, F. N., com.	12	4.68	64½	63¾	64¼	64	723	67	40
Do. pref.	7	2.88	..	..	..	..	..	243	142½
Can. Canners, com.	.	....	14½	13	14	12½	886½	14½	11⅛
Do. pref.	2¼	....	66	58¼	65¾	58⅛	7528	66	53¾
Christie Biscuits, com.	.	....	55	51	55	48	60	60½	31¼
Do. pref.	.	....	..	..	..	..	..	118	109½
Canada Cement, com.	6	5.63	107¼	106¼	107	106¼	664	114	90½
Do. pref.	7	6.06	116½	114½	116½	115½	89	117½	107
Cons. Rubber, pref.	7	....	..	..	..	..	..	90	85
Can. Gen. Electric, com.	.	....	..	..	..	..	..	55	58
Do. pref.	7	6.14	58	56¼	57⅛	57¼	299	60	50
Can. Indust. Alcohol	1.28	8.00	16½	14⅛	16½	15	9148	20½	14
Canadian Salt	8	5.36	..	..	..	..	..	154½	112
Carr Factories, com.	.	....	..	..	..	..	..	2½	1
City Dairy, com.	12	3.44	87½	86	86⅛	87½	189	90½	65
Do. pref.	7	6.42	109	109	109	109	19	110	104½
Crows Nest Coal	8	....	55	50	50	55½	150	55½	35
Cuban Can. Sugar, com.	.	....	..	..	..	..	..	10	4½
Do. pref.	.	....	..	..	..	..	..	44½	26
Dom. Canners, com.	7	5.30	132	132	132	133	3	136	56½
Do. pref.	7	6.30	111	111	111	112	15	112	94
Dom. Glass, com.	7	6.66	105	105	105	107½	250	116⅛	102
Do. pref.	7	6.19	113	113	113	112½	10	119	110¼
Dominion Stores, com.	1.00	....	72¾	71½	72¾	70	53	72¾	28½
Do. pref.	8	7.47	107	105	106	107	105	109	97½
Wm. A. Davies	.	....	36	32½	35⅞	32½	1210	36	24
Eastern Theatres, com.	.	....	18½	18	18	18	50	19½	14
Do. pref.	7	7.95	..	..	..	..	..	88	70
Ford Motor	10	....	..	..	..	..	..	512	488
Gilman, com.	6	5.85	102	102	102	106	55	108¼	80
Do. pref.	7	6.18	113¼	113	113	115½	55	116	106¼
Goodyear Tire, pref.	7	7.48	95	92¾	94½	93	405	100½	90
Dodge Bros., com.	.	....	42	42	42	39	5	45¾	22
Do. pref.	7	7.91	88½	88½	88½	89½	5	89½	80¼
Holt, Renfrew, pref.	7	8.48	..	..	..	..	..	82½	65
Gould, com.	.	....	100	100	100	90	50	100	90
Industrial Utilities (A)	.	....	36	35⅛	35⅛	..	330	36	35⅛
Do. (B)	.	....	8¼	8⅛	8⅛	8¼	125	8¼	7¾
King Ed. Hotel	.	....	..	..	..	..	..	27	20
Lyall Construction	.	....	20	20	20	21	50	29	11
National Brew., com.	.	....	64	63	63	64	3179	68	42
Do. pref.	7	6.36	..	..	..	..	..	110	98
Mational Brick, com.	.	....	15	15	15	15	20	18	15
Do. pref.	7	9.58	75	73	75	75	170	79½	70
Pacific Burt, com.	6	6.66	90	90	90	93½	1	96	87
Do. pref.	7	6.82	..	..	..	..	..	107	100½
Port Hope Sanitary, com.	.	....	80	78	80	78	7	80	53
Do. pref.	7	7.07	..	..	..	..	..	100	88
Pure Gold Mfg.	50c	....	23⅝	23	23	24	75	27	23
Rogers, Wm. A., com.	.	....	..	..	..	..	..	65	50
Do. pref.	7	7.69	..	..	..	..	..	95	88
Russell Motor, com.	.	....	..	..	..	..	..	44½	24
Do. pref.	7	8.11	86¼	86¼	86¼	88	10	88	74½
Sawyer-Massey, com.	.	....	..	..	..	..	..	1	1
Do. pref.	.	....	..	..	..	..	..	20⅞	5
Sherwin-Williams, com.	6	4.91	122	122	122	122	180	130	115
Do. pref.	7	6.42	109	109	109	108	5	110	104¾
Sterling Coal	4	10.00	..	..	..	..	..	53	39
Tooke Bros., com.	.	....	..	..	..	..	..	62½	37
Do. pref.	.	....	62	62	62	62	10	70	59
Tuckett Tobacco, com.	4	5.88	68	66½	68	68	35	70	59
Do. pref.	7	6.86	102	102	102	101½	57	102¾	96¼
Woods Mfg., com.	.	....	34	32½	34	32	140	49	20
Do. pref.	7	....	..	..	..	..	..	75	64⅛
Western Grocers	.	....	12½	12	12	12½	155	14¼	4½
Trust and Loan—									
Canada Land	10	5.43	92	92	92	92¼	44	97	80
Can. Permanent	12	6.00	205	200	201½	206	70	208	190
Colonial Invest.	6	....	..	..	..	..	..	5½	4
Hamilton Prov.	10	6.41	..	..	..	..	..	156	154
Huron & Erie	7	5.51	127½	127	127	127	28	130	125
Landed Banking	9	6.20	..	..	..	..	..	145	142
Montreal Loan	12+1	6.76	..	..	..	..	..	48	45
National Trust	12	5.30	..	..	..	..	..	226	10
Ontario Loan	11	5.23	..	..	..	..	..	105	99
Real Estate Loan	7	8.18	..	..	..	..	..	88½	85½
Toronto Gen. Trusts	12	5.58	215	215	215	215	20	215	208
Toronto Mortgage	10+1	6.04	92	92	92	91½	12	92	87¾
Union Trust	7	7.77	..	..	..	..	..	90	8

BUILDING LABOR TO KEEP WAGES UP

No Immediate Prospect of Downward Revision From the Present High Level

NEW YORK.—Building labor expects to maintain present wage scales and working conditions indefinitely, and there is no immediate likelihood of any general downward revision of wages, according to a survey of the labor situation in the building industry compiled by the Building Construction Research Bureau of G. L. Miller & Co.

The survey was based largely on data gathered at the convention of the Building Trades Department of the American Federation of Labor at Atlantic City, N. J., at which 860,000 organized building craftsmen of the country were represented.

Building labor conditions were summarized as follows:

(1) Wage scales now highest in history of building industry and still higher rates appear in prospect for some localities.

(2) Building crafts plan to maintain wages and working conditions attained during building prosperity period.

(3) Labor is fairly tranquil and little interference to building operations from strikes and lockouts expected during the next few months.

(4) Labor officials condemn interunion strife and lay plans to eliminate as far as possible jurisdictional strikes.

(5) Sentiment for shorter work day growing but campaign for five-day week appears to have been indefinitely postponed.

(6) Building unions urge strict fulfilment of contracts but declare for elimination of anti-strike and anti-sympathy strike clauses in agreements.

UNLISTED SECURITIES

Industrials, Utilities, Etc.—	Bid	Asked
Brooks Steamer (1 pref, 2 com)	4½	7
Can. Machinery, com.	3½	6
Can. Machinery, pref.	12½	16
Can. Westinghouse, com.	150	155
Cockshutt Plow, pref.	41	48
Cosgrave Brewery	4½	5
Dom. Combing (1 pref, 2 com.)	33	40
Dom. Power, pref.	92½	94
English Electric, pref.	47	50
Famous Players, com.	11	13
Gunns, Ltd., pref.	30	34
Imperial Tobacco	5	7
King Edward Hotel, Deb. A.	78	80
King Edward Hotel, Deb. B.	58	61
K. & S. Tire, pref.	7	11
Loew's Toronto, com.	26	30
Loew's London, com.	2	2½
Loew's Ottawa, pref.	14	18
Massey-Harris	63½	66
Mount Royal Hotel, com.	4½	5½
Mount Royal Hotel, pref.	35	36
North Mexico Power, com.	44	47
R. Simpson, pref.	99	101
Willard's, pref.	73	77
Capital Life	22	25
Continental Life	32½	..
Empire Life	21	25
Monarch Life	16½	18½
National Life	46	55
Re-insurance	12	15
Security Life	33	37
Sovereign Life	21½	25
Comm. Finance, pref.	58	62
Loblaw Groceterias, com.	39	44
United Securities, com.	52	54
United Securities 6% pref.	102	104

Announcing

The Financial Post Survey 1926

The Business STATISTICAL SERVICE of Canadian Commerce and Finance

THE Financial Post Survey, 1925, published last year was an amazing success. Thousands of business men agreed that it was the business statistical guide that had always been needed in Canada. The success of the first edition makes the announcement of a new edition for 1926 a distinct pleasure. The Financial Post Survey, 1926, will appear December 5th, 1925.

THE initial edition of the ''Financial Post Survey'' was produced under great difficulties. Nothing of the kind had ever been attempted before in Canada. There had been no effort to give a concise and exhaustive survey of Canadian business and industrial conditions. The ''Financial Post'' pioneered this field, and the hearty congratulations received indicated that the work had been well done.

With the second edition, there is a basis to work upon. During the past months, the staff responsible for the production of the ''Survey'' have been considering it carefully, and checking up, through a multitude of sources, ways and means of making this a still more useful and comprehensive volume for Canadian business men and investors. The second edition will undoubtedly exceed your expectations.

The new ''Survey'' will be bigger, better and more comprehensive in every way than the first volume, and the thousands of leading Canadian and American business men and investors who have found it of value during the past year, will find the new edition even more valuable.

No man can have, at his finger tips, the details of the whole field of business and industry, as he has the figures of his own business. Yet there are interlocking factors in all these industries that affect every business. It is important that these figures be available to all business men. Only so can each safely guide the destinies of his particular business. It was to give such information that ''The Financial Post Survey'' was first planned.

There is only one source, where all this information is readily available—''The Financial Post Survey.''

It is obvious that such a source of information will be in constant use. It is equally obvious that as an advertising medium the ''Survey'' offers an opportunity to present a message to Canadian business and financial men, and to keep that message before them during the course of the whole year.

Now an Established Advertising Opportunity

LAST year when the ''Financial Post Survey'' was first suggested, there was an element of speculation in the venture. Such a scheme had never been undertaken before by anyone.

But despite this fact business men of all types, realizing the tremendous value of such a project, supported it generously, basing their action very largely on the established reputation of ''The Financial Post'' itself.

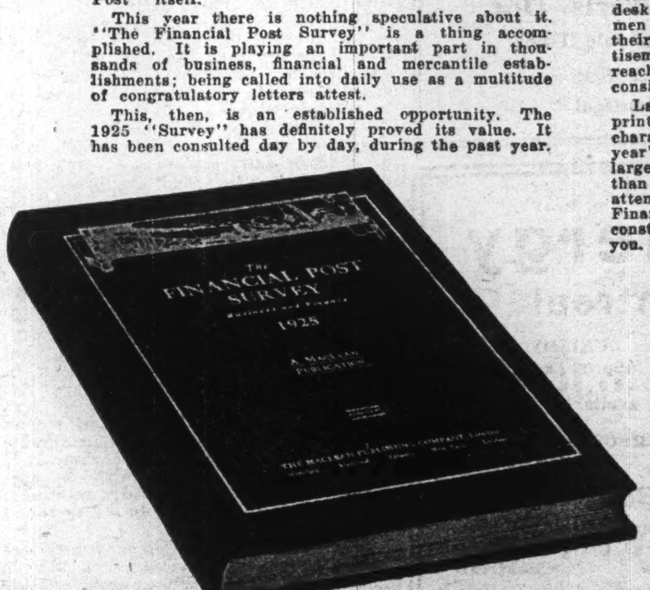
This year there is nothing speculative about it. ''The Financial Post Survey'' is a thing accomplished. It is playing an important part in thousands of business, financial and mercantile establishments; being called into daily use as a multitude of congratulatory letters attest.

This, then, is an established opportunity. The 1925 ''Survey'' has definitely proved its value. It has been consulted day by day, during the past year.

The business messages it contained have been constantly before the eyes of an audience interested in just such messages. Your business message or advertisement in ''The Financial Post Survey'' is assured the close attention of business executives. This is said on the proven record of last year's issue.

Your message in ''The Financial Post Survey'' will be assured of more than average attention. This volume is not filed away. You will find it on the desks of executives, men of large buying power,—men who buy for themselves, for their homes, and their plants and for their communities. Your advertisement will be an almost daily message to such men, reaching them when they are in the best mood to consider your words.

Last year some 5,000 copies of this annual were printed. With the growing demand, due to the known character of the material, and its admitted value, this year's distribution may well be expected to be still larger. But it is the character of the audience rather than the size to which we would especially call your attention. Men of this character, who buy ''The Financial Survey'' because they want to use it as a constant aid in their business, have great value to you.



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The Financial Post Survey

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Pulp and Paper

BELGO CANADIAN AND ST. MAURICE SOON TO MERGE?

Merger Negotiations Re-opened—Might Include Other St. Maurice Valley Companies

From Our Own Correspondent.

MONTREAL. — Negotiations leading to the merger of the Belgo-Canadian Paper Company and the St. Maurice Paper Company are once again n progress. It is understood that the Belgo shareholders will receive at least $100 a share before the company will enter the merger; however, it is too early in the negotiations to ascertain any definite prices at which either concern would enter the new consolidation.

It is understood that Sir Herbert Holt and J. H. Gundy are interested in the deal, but this has received no official confirmation. As at present constituted, the new combination will include only St. Maurice and Belgo—so far the other companies in the St. Maurice River valley may have been approached, but there is no indication of their forming a part of the final picture.

It is estimated that Belgo's pulpwood resources are sufficient for 40 years' operations; allowing for reforestation, it is estimated that at the end of 40 years the company will have 80 per cent. of the timber resources which it owns to-day.

Controlled in States

About 64 per cent. of the outstanding stock of the St. Maurice Paper Company is owned by its parent organization, the Union Bag and Paper Corporation. During the last few months, this company's stock has had a tremendous rise on the New York market which was caused—so the rumor went—through the control being purchased in the open market by the Gundy-Holt-Ames interests.

A New York report says that negotiations are under way whereby Union Bag and Paper Corporation may dispose of its holdings in its newsprint subsidiary, St. Maurice Paper Co., and the deal would indicate the sale of its stock holdings to another Canadian company operating in the same territory at a price somewhat in excess of $6,000,000. Negotiations have not been completed, according to officials. Union Bag and Paper has a 64 per cent. stock interest in St. Maurice, and the stock is carried in its balance sheet at par, or $6,098,900.

The general position of the company is satisfactory, and it is understood that this year the earnings have shown a slight increase despite the over-production in the industry. The outstanding capitalization of the two leading companies in the negotiations is as follows:

Belgo-Canadian Paper	
7% Cum. Pfd.	$4,000,000
Common	$8,500,000
Production—345 tons of newsprint daily.	

St. Maurice Paper	
Gold Notes	$2,600,000
Common	9,539,300
Production—275 tons of newsprint and 65 tons of sulphate daily.	

Other Companies

The other companies in the St. Maurice Valley are Laurentide, Wayagamack, International and St. Lawrence. It is understood that Laurentide is playing no part in the deal. St. Lawrence Paper Mills, on the other hand, is said to be interested, but as yet not actually involved—it might play a more active part later.

Rumor says that Wayagamack is not interested, nor is the International Paper Company. It seems probable, though, that should the Belgo-St. Maurice negotiations reach a successful conclusion that some of the other companies might also come into such a combination, notably St. Lawrence Paper Mills, and possibly Wayagamack, though the entrance of this last company seems more than doubtful. It is said that there is no chance of Laurentide entering the merger at all, nor the International Paper Company's plant at Three Rivers, P. Q.

Manitoba Pulp Contracts Have Been Awarded

From Our Own Correspondent.

MONTREAL.—Contracts for the construction of the foundation, leveling, rock work, yard tracks and sewers, in connection with the 250 ton paper mill at Fort Alexander, Manitoba, were awarded last week. This is the new plant of the Manitoba Pulp and Paper Co., which is being built by J. B. McArthur in conjunction with the Spanish River Pulp and Paper Mills.

The contract calls for the completion of the foundation by May 15, 1926, and it is expected that the mill will be in operation by December 1, 1926. The company is already contracting for wood to be cut this winter in readiness for next fall's operations. The plans and the specifications for the mill, which will be modern in every respect, are now nearing completion and are practically all in the hands of the chief consulting engineer for final approval.

Canada Paper Company To Expand Operations

From Our Own Correspondent.

MONTREAL.—It is understood that there will be some reorganization in the ownership of the Canada Paper Co. The stock in this organization was all closely held: on the death of Joseph Kilgour, of Toronto, a considerable block of stock came on the market. It is said that this block is about to be purchased by the Holt-Gundy interests; Sir Herbert Holt is already a director of the company.

The Canada Paper Company produces about 50 tons of newsprint a day in addition to its fine paper output. At the present time it is expanding and is installing a new method of digesting pulp, the Keebra process, which should considerably reduce operating expenses. The Financial Post learns that the company's expansion programme is shortly to be considerably broadened. It is impossible as yet to obtain any official announcement as to the nature of this projected expansion.

Tenders Provide That Paper to be Made Here

Tenders have been awarded to the Thunder Bay Pulp and Paper Company, Provincial Mills, Limited, and the Nipigon Corporation, for the timber-cutting rights in the Nipigon limits, along the lines announced by Hon. James Lyons, Minister of Lands. Each of these three concerns receives rights on areas comprising from 1,300 to 1,800 square miles.

In all cases the prices range from $2 to $2.25 per cord for pulpwood and from $6 to $8 a thousand feet for jack pine. Two other tenders in connection with the limit have as yet to be awarded, but details have not been worked out. The three areas let recently all surround the district of Lake Nipigon.

For the first time in history the government reserves the right to sell the standing jack pine to other operators on the areas let. Another feature is that the government leases specify that the product of the pulp must be finished into newsprint in Canada. The sale will, it is claimed, bring the production of pulp up to 840 cords per day, and increase the newsprint production to 1,525 tons per day.

NEWSPRINT MILLS ENTER RACE FOR MORE PRODUCTION

(Continued from page 1)

the projected mills. There is but the one way in which all these projects can make money, and that is by lowered prices for newsprint which will close up some of the U. S. producers.

What then is the investor to do? Should he dispose of his newsprint stock holdings in view of the expected further lowering of prices, or should he wait and see? Probably the latter course would be the wisest at present. If during 1926 some of the smaller American producers close down due to lower prices, this would indeed be an extremely hopeful sign as far as Canada is concerned. The production of newsprint in the U. S. can be seen in the monthly production of that commodity which is published in practically all newspapers. Then, too, the investor must keep close touch with the number of plants which will pass from merely the blueprint stage to that of active construction.

No Precedent For Investor

What the results in the industry will be during the next three years depends on how the industry can come through this transition period—the moving of the industry from the U. S. to Canada. In the past, these transition periods have usually proved hard for industry, but in this instance there is no precedent on which the investor can base a conclusion.

A more hopeful factor, though, is that this phase of expansion is no new thing—it has been going on for some years, although it has been going on more slowly than may be expected in the future. In the last eight years, production in this country has increased 170 per cent., whilst the American production has mounted but little. This was in a time of great business expansion, coupled with an immense increase in the use of advertising on which the size of newspapers depends. The present indicated increase means that the American mills not only must not increase their output, but must actually curtail it. Each individual investor then must watch the situation carefully if he wishes to be in any kind of a position to forecast the future of the company in which he is interested.

Depends on States

The situation then depends on whether or not the Canadian production will be able to close down a number of the U. S. mills. Those who are most closely connected with the industry appear to feel that there will be no period of price-slashing with the weaker companies forced into liquidation—at least not in this country. A canny investor like Sir Herbert Holt would not be investing his money in the newsprint industry to such an extent if appearances did not indicate future profits. Very recently, Sir Herbert has been broadening his interest in this industry. Again, A. R. Graustein, president of the International Paper and one of the cleverest business men in the United States, is not expanding his company in this country, believing that the industry is about to enter the worst period in its history, whilst George H. Mead, president of Spanish River, is extending his interests, too.

The Future of the Industry

Taken by and large, as yet there is no reason to forecast gloom and decimation for the industry, which will probably continue its expansion here in the future in much the same manner in which it has done in the past without causing harm. A period of six months with prices at $60, or even under, would have a salutary effect on proposed projects, while at the same time would not have any permanent effect on the present companies—this will, no doubt, occur should the race for more production become too fast and furious.

Although the increase in output of Canadian mills is no new thing, and the indications of probable overproduction have been pointed out many times in the past, investors who are in some of the better newsprint stocks should not be lulled into a sense of false security, due to the repetition of this message, for that these companies can come through, there is no doubt, but insofar as market prices for the next year or so are concerned, the situation will bear the most careful watching.

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Public Utilities

HEAVY DEFICITS BEING PILED UP BY RADIAL LINES

Toronto and London Roads Lose — Woodstock to Ingersoll System Scrapped

Suburban electric roads have had a bad year in Ontario. Lines out of Toronto, owned by the city, have piled up heavy deficits; the first Hydro line, the London and Port Stanley Railway, has exhausted its surplus and is now reported as showing a loss; in Woodstock the tracks have been torn up and the suburban line which served Beamsville and Ingersoll is being abandoned.

In practically every case the falling off in revenue can be traced to the competition of the motor bus. Toronto is getting quite anxious about the operating deficits which Provincial Hydro is calling upon the city to meet and is urging the legislature to give the suburban lines protection. This would mean either ordering the buses off the highway or imposing a prohibitive tax where they compete with the radials.

In Woodstock city and its suburban extension through Beamsville to Ingersoll, it is the intention to scrap the whole system and to replace it with motor buses. The tracks through the main street in Woodstock have already been torn up and the track allowance paved.

It is interesting to note that two of the few large privately owned street car systems in the province London and Hamilton, are still being held to a five cent fare. The London franchise recently expired. The city showed no haste to take over the lines and the franchise was automatically renewed for 5 years.

In Hamilton the franchise is to soon expire and Dominion Power and Transmission is urging a co-operative agreement with the city for a service at cost plus a reasonable return or for the city to take over the system or a higher tariff schedule.

In both London and Hamilton motor cars have cut into the service somewhat while the companies have been held to a 5 cent fare.

CAN. LIGHT & POWER BONDHOLDERS LOSE

Will Probably Get 50% of Holdings in New Bonds—25% in Stock

From Our Own Correspondent.

MONTREAL.—As yet there is no official information forthcoming, as to the status of the bonds of the ill-fated Canadian Light and Power Company, but The Financial Post learns that the bondholders of this company must inevitably take a decided scaling down in the present par value of their securities.

The reason for the decrease in values is not far to seek, for the plant of this company has never yet produced sufficient energy to provide for anything like the interest payments on the securities. The Financial Post learns that holders of these bonds will probably get 50 per cent. of the face value of their holdings in new 5 per cent. bonds. It is understood also that re-organization plans for this company may include the disbursement to the old bondholders of a further 25 per cent. of the face value of their bonds in new common stock in a new company which would be organized.

Winnipeg Railway By-law Will Go to the Electors

WINNIPEG.—On a close vote the city council has given the by-law for the acquisition of the Winnipeg Electric Company's traction system at $13,127,381 a second reading. The valuation of $13,127,381 has been reached by special committee of the council using the services of a board of experts. The figure was fixed on a replacement basis. The by-law is now ready to go to the ratepayers at the forthcoming election.

JAMAICA PUBLIC SERVICE

Pointing out that Jamaica Public Service continues to show steady gains in earnings, and that the bonds at 103 yield 6.20 per cent., and the preferred around 98 yield 7.14 per cent., the Greenshields Review says that "these are returns that are difficult to match among securities of equally high standing among Canadian public utilities." Surplus after charges for the twelve months ending August was 23.7 per cent. higher than a year ago. Interest on the company's first mortgage 6½ per cent. bonds is being earned 2.8 times and dividends on the 7 per cent. preferred stock approximately 2½ times.

Public Utility Earnings

WINNIPEG ELECTRIC

Sept.	1925	1924	Change
Gross earn.	$409,185	$393,870+	$15,314
Op. Exp. and taxes	296,166	298,536—	2,369
Net earn.	$113,018	$ 95,334+	$17,684

Northern Mexico Power

	1924	1925	Increase	%
September—				
Gross	63,303	92,548	29,245	46.20
Net	46,721	73,431	28,700	61.43
Nine Months—				
Gross	513,078	747,949	234,871	45.77
Net	379,825	575,578	195,753	51.55

DULUTH-SUPERIOR TRACTION

Third Quarter—	1925	1924	Chge., %
Gross Rev.	446,696	429,237+	4.07
Oper. exp.	362,334	349,393+	3.70
Net Rev.	84,362	79,844+	5.66
Fixed Ch. & Taxes.	72,283	69,782+	3.54
Net Income	12,079	10,061+	20.06
9 months—	1925	1924	Chge., %
Gross rev.	1,409,222	1,323,179+	6.50
Oper. exp.	1,126,079	1,089,505+	3.36
Net Rev.	283,143	233,673+	21.17
Fixed chgs., and taxes	219,951	216,162+	1.75
Net income	63,192	17,510+	260.88

Winnipeg Electric Co. Earnings Increasing

From Our Own Correspondent.

MONTREAL.—The Winnipeg Electric Company, during the month of September, increased its gross earnings by over $15,000 and its net by almost 18,000.

Business conditions in the city of Winnipeg are showing an improvement. This is evidenced by the fact that the street railway earnings are up over $5,000 from the corresponding month of the preceding year—the first month this year in which there has been decided increase in this branch of the service.

The company has commenced delivering power to the Harris Abattoir Company which recently completed its new plant at St. Boniface. The contract calls for 2,000 h.p. for a period of ten years at what is said to be a satisfactory price.

Prior to the war, Winnipeg Electric had an earning record equalled by few other Canadian companies of the same type. Between 1906 and 1914 the percentage earned on the common varied between 11.17 per cent. and 14.07 per cent. and annual dividends as high as $12 per share were distributed. For several years the market price of the stock ranged between 117 and 268.

A BETTER OUTLOOK FOR TWIN CITY NOW

Prospects of a More Satisfactory Fare Basis Which Will Mean Higher Dividends

Recent developments have helped to clear the air in regard to the complicated fare problem of the Twin City Rapid Transit Company, and a satisfactory settlement, after four years of litigation, is anticipated within a few weeks. The improvement in the outlook has been reflected by the market for the company's shares which have sold to a new high mark for the year—above 70. The year opened with the price at 65, and there was a decline to 58 before the definite improvement set in. It is now predicted that the compromise plan submitted by the company will be accepted. This provides for a 6½ cent token fare, with continuation of the 8 cent cash fare rate. The token fare is now 6 cents. President Lowry says that the proposed half cent increase would give the company 7 per cent. on valuation.

The event of the week bearing on the situation has been the action of the Minneapolis council in agreeing to the valuation of the Minneapolis Street Railway, the major subsidiary, as fixed by the Warehouse Commission at slightly more than $27,000,000. The Twin City Co. has accepted the action of the council and has authorized the president of the company to proceed on that basis. It was also reported to the Twin City directors that negotiations with the council of St. Paul were under way, that progress was very favorable, and that very soon it was expected that an agreement would be arranged along the same lines as with the city of Minneapolis.

The outlook for the company has been rendered immeasurably clearer and brighter, and shareholders are anticipating an early return to a stable and satisfactory dividend basis. The market is discounting a return better than the present four per cent., and comment in the street suggests the likely elevation of the rate to at least six per cent. as early as is expedient.

INT. UTILITIES NEW LINE

Canadian Western Natural Gas, Light, Heat and Power Co., Ltd., a subsidiary of the International Utilities Corporation, reports construction of the new gas pipe line from Turner Valley to Calgary, will be completed and connected to the distribution system in Calgary by November 10, according to a statement made last week by C. J. Yorath, president of the company. This will mean an additional supply for Calgary of at least three billion cubic feet of gas per year. Up to the present time, 15 miles of pipe line have been strung along the route of the new line, 20 miles of the trench have been dug, and approximately 13 miles of pipe have been laid. It was mentioned by Mr. Yorath that the peak load of last winter was 24 million cubic feet of gas, and he estimated that with the increased business this winter, there was a possibility of this peak being increased to 30 million cubic feet.

THREE PLANS FOR HAMILTON RAILWAY

They Involve Purchase by City or New Franchise on More Favorable Basis

HAMILTON.—In the negotiations between the Street Railway Company and the Hamilton City Council regarding the franchise, three main alternative are being given consideration:

1. Acceptance of the agreement submitted by the company, with certain modifications and alterations.
2. Purchase of the system at a fair price and operation for the city by the radials department of the Ontario Hydro Electric Power Commission.
3. Continuation of the existing franchise and five cent fare, coupled with the elimination of the jitney competition, and surrender of the city's right to collect eight per cent. of gross revenues.

The street railway company will be approached as to what fare and other concessions would be considered if relief were given from mileage and percentage, and an exclusive franchise granted for twenty-five years.

Experts have advised the city that buses will not replace street cars. In illustration of this it was stated that a street car could be operated for about 2½ cents per mile, while the minimum cost of operating a bus was 10 cents a mile. A wheel for a street car cost $15 and went 15,000 miles, while a tire for a bus cost $79, and lasted 15,000 miles at the most. Besides this, six tires were needed for a bus, two extras being carried. A street car had a life of at least 15 years, while a bus lasted only five years at the most. It was further pointed out that a street car, with a 30-passenger capacity, could handle 60 more passengers in rush hours, whereas a bus of that capacity could only handle a few passengers.

QUEBEC POWER CO. BUYS LAURENTIAN

Shawinigan Subsidiary Adds Another 18,000 h.p. Through Purchase of Another

MONTREAL.—Although no announcement has been made yet, The Financial Post learns definitely that the Quebec Power Company recently purchased the Laurentian Power Company.

The Laurentian Power owned in fee simple the water power at Seven Falls on the St. Maurice River, 35 miles from Quebec. The total capacity of this plant is 18,000 horsepower. Before being taken over by the Quebec Power, the company had a contract for 10,000 horsepower with the Quebec Railway, Light, Heat and Power Company. It did not meet with much success in disposing of its remaining 8,000 horsepower.

Provision has been made at this plant for the addition of another 6,000 horsepower generator, which will make an ultimate capacity of 24,000 horsepower. The sale of this plant is but one more step in the Shawinigan Water and Power Company's expansion programme. The latter concern owns the majority of both the common and the preferred stock of the Quebec Power, which in turn owns more than 90 per cent. of the outstanding stock of the Quebec Railway, Light, Heat and Power Company.

The Quebec Power Company now owns all the common stock of its latest subsidiary, the Laurentian Power. The capitalization of the latter is as follows:

	Authorized	Issued
Common stock	$2,000,000	$2,000,000
7% cumulative pref. stock	350,000	350,000
1st mtg. 6% bonds	2,000,000	1,371,200
9 Months—	1925	1924 Chge. %

(Of the $1,371,200 of bonds issued, $299,200 are held in escrow to redeem a like amount of underlying 5% bonds due 1931.)

Northern Canada Power Extending Into Rouyn

From Our Own Correspondent.

MONTREAL.—Last week, a party of directors of the Northern Canada power Company made an inspection trip on which was included a visit to the company's three plants situated on the Mattagami River and the plant on the Quinze River. The directors were pleased at the progress which has been made.

The company intends to further extend the territory it serves; at the present time it is surveying the route for its new line into the Rouyn district.

West Kootenay Power Affected by "Smelters"

From Our Own Correspondent.

MONTREAL.—The increased earnings of the Consolidated Mining and Smelting Company should mean something to the West Kootenay Power and Light Company; as "Smelters" has increased its production to a tremendous extent it necessarily follows that it must be purchasing more power.

Originally financed by C. R. Hosmer and a few of his associates, the West Kootenay Power and Light Company was some time ago taken over by "Smelters" and is now an active subsidiary of that corporation. All the common stock and most of the preferred is in the hands of the parent company, and practically the entire investment interest lies in its bond issue.

Figures Show Sugar Refineries Are Busy

From Our Own Correspondent.

MONTREAL.—The amount of sugar manufactured in Canada month by month continues considerably in excess of the amount manufactured in 1924. For the four week period ending October 10, 91,913,214 pounds were manufactured as against 56,780,848 pounds in 1924. For the year to date, 917,470,916 pounds were manufactured as compared with 653,632,249 pounds in 1924.

Exports also are considerably above 1924. During the month of September there were exported 23,840,200 pounds of sugar valued at $1,388,389 as compared with exports of 832,500 pounds valued at $60,316 in 1924.

CANADIAN SALT FINANCING

MONTREAL.—For the purpose of considering and passing a by-law adopted by the directors authorizing an issue of 6 per cent. first mortgage 20-year sinking fund gold bonds, a special general meeting of the shareholders of the Canadian Salt Co., has been called. Only $1,200,000 of the bonds are to be issued at present and the proceeds used to retire the $287,000 of the 6 per cent. first mortgage bonds and the $638,000 in 7 per cent. general mortgage bonds outstanding.

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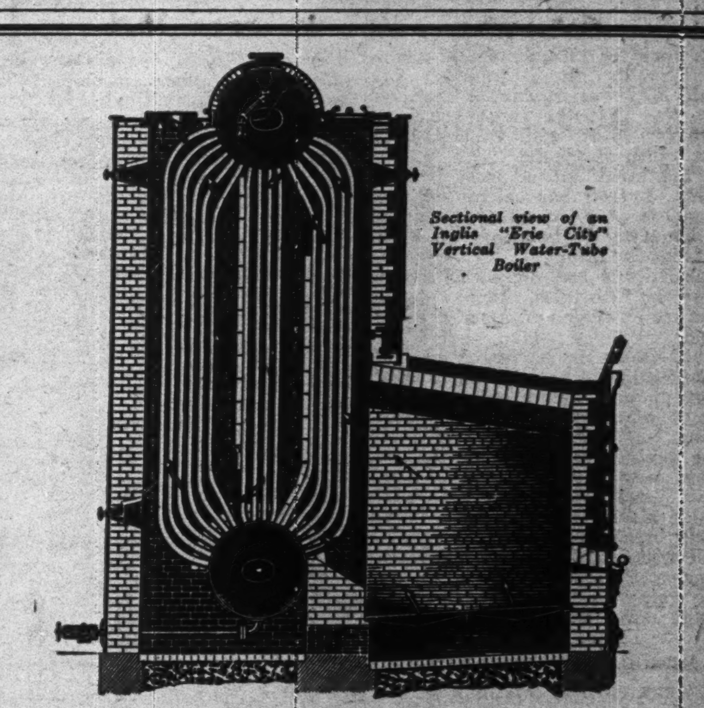

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Lehigh Valley Railroad

The Route of The Black Diamond

DAIRYING IN THE WEST

WINNIPEG.—The growth of the dairy industry in Manitoba is well illustrated by a comparison of the figures of production in 1900 and 1924. In 1900, the total value of dairy products produced in Manitoba was $1,681,305. Last year it was $13,093,902. In 1924, 196 carloads of creamery butter were exported from Manitoba totalling 4,4[illegible] pounds.

News of the Mines for the Investor

Conducted by DANIEL E. CUSHING, Mining Editor, The Financial Post.

THREE GEOLOGICAL THEORIES BROUGHT IN THREE MINES

Tonopah of Gowganda, Kirkland Lake Gold and Canadian Lorrain Are Products of Study

COBALT.—It took the spectacular development on Kirkland Lake gold to focus public attention on the mining list and bring about market recognition of the tremendous expansion which has been going on in the mines of Northern Ontario. Signs were not lacking that the public was prepared for some such market move. The recent actions of Castle and Hollinger were an evidence of this. The winning out of the Kirkland Lake gold gamble, which the public has been watching, sort of capped the climax.

The fairly general upward swing of the mines is what the North has been impatiently waiting for these many months. News of very bullish nature has been filtering out from the mines steadily and yet to all outward signs has been completely ignored.

All four big camps are looking exceedingly well. Gowganda promises to be big. In the camp a few days ago an engineer told the writer that he wouldn't be surprised if the late Dr. Millen's prediction that Gowganda would rival Cobalt in silver production would prove true. The writer never heard of this prediction before, but the camp is looking excellent. It is going to prove a geological problem to widen out from the Keewatin bowl, around which is now centred the camp's producers. The present geological theory would tend to restrict the area, but as in all other camps, gold and silver, theories have just been nicely worked out when some one came along and upset them. Earnies Craig worked out a geological theory on the Walsh group in Gowganda. J. B. Tyrrell worked one out on Kirkland Lake Gold in Kirkland and Dr. Bell worked one out on Canadian Lorrain in Lorrain. All brought in proven mines just recently as a result of the successful testing out of their theories. But it is quite possible for some one to come along with entirely different theories in these same camps and also get mines.

Kirkland Lake Gold, Teck Hughes and Tough Oakes Burnside are claiming the bulk of the attention in Kirkland. The find on Kirkland Lake Gold in a drift east of the cross-cut run at the 1,975 ft. level, proves the extension west of the main break of the camp. Two predictions, which J. B. Tyrrell made to The Financial Post about eight weeks ago, came out right. They were as to where the break would be picked up and when. Mr. Tyrrell's huge gamble has brought a fitting reward. The last report was that the shoot has been opened for 75 ft. with values $35.50 over a width of 4½-ft.

As the break moves west it dips, and Mr. Tyrrell has calculated that at 2,900-ft. the break will extend from boundary to boundary on Kirkland Lake Gold.

Teck-Hughes has picked up a new vein on the 13th level. It may be the downward extension of one of the vein systems.

Tough-Oakes is looking better all the time and the new southerly shoot is opening up steadily and supplying the bulk of the mill ore from development.

The taking up of the Cariboo by Keeley, new successes on Canadian Lorrain and Nipissing's activity is focusing attention on the Lake Temiskaming break of Lorrain.

In Porcupine, Hollinger is reported having a time keeping enough low grade going to the mill to keep the average down to reasonable proportions. This is due to the rich ore being mined to the east.

Dome's sedementary deposit, which narrowed preceptibly at the 13th level has opened out again at the 14th level. As a result the shaft which had been halted at the 14th has been dropped down to the 15th, or 1,900-ft. level and a new level will be opened up here.

MINING STOCK QUOTATIONS

WEEK ENDING OCTOBER 27

	High for week	Low for week	Close Oct. 27	Close Oct. 20	Sales for Week
Apex	2	2	2	2	4000
Argonaut	19¼	18½	18½	19½	112675
Atlas	2	2	2	2	2000
Baldwin	2	1⅞	1⅞	2⅛	23000
Barry Holl.	28	24½	28	27½	38400
Beaver	48	31½	48	31	436300
Bidgood	8¼	7½	8½	8⅛	51200
Buckingham	2⅛	2⅛	2⅛	2½	3000
Can. Lorrain	64	59	64	64	35600
Capitol	30	27¼	30	27	22350
Castle Tre.	1.46	1.41	1.43	1.44	52799
Clifton	2¼	2¼	2¼	3	1500
Coniagas	1.95	1.75	1.95	1.95	500
Coniar'm	2.00	2.00	2.00	1.65	70
Col. Kirkland	2¾	2¼	2¼	2½	27500
Cons. Smelters	168⅛	154	165	158	34046
Cons. W. Dome	13¼	10½	13	10¾	143500
Crown Reserve	19½	16	19½	16	59600
Dome Mines	15.75	14.50	15.68	14.50	11109
Everett	7	6½	7	7	32500
Goldale	20	18½	19¼	18½	24700
Gold Reef	1⅛	1½	1½	1¼	5000
Hattie	⅞	¾	¾	1	24000
Hattie, prof.	3¾	3¼	3¼	3⅞	5500
Hollinger	17.35	16.10	17.30	16.10	6860
Hunton	6½	6½	6½	6½	6500
Indian	3½	3½	3½	3⅝	1500
Int. Nick, com.	37⅝	37	37	36⅞	1569
Keeley	1.51	1.44	1.50	1.48	23575
Keora	14	13½	13¾	13½	33800
Kirk Lake	72	45½	69	44	427201
Lakeside	4	3½	3½	4	3500
Lake Shore	7.95	7.75	7.95	7.85	7370
La Rose	40	39	39	40	2750
Lorrain	9	8½	9	8⅞	7200
Lorrain T.L.	91	91	91	90	600
McKinley	25½	15	25½	14½	111880
McIntyre	20.75	19.50	20.75	19.75	8725
Mining Corp.	2.99	2.94	2.99	2.96	107 6
Moneta	16½	15	16½	15½	10500
Newray	23	22½	23	22½	3300
Nipissing	5.30	4.91	5.00	5.30	1655
Ophir	3	3	3	3	1000
Pete. Lake	3¾	2⅝	2⅝	3¾	20500
Porc. Crown	3½	3½	3½	3¼	500
Premier Gold	2.32	2.25	2.31	2.30	7727
Preston	8	7	7½	7½	19800
Teck Hughes	2.22	1.90	2.15	1.91	111830
Timiskaming	17	17	17	17	1000
Tough Oakes	60	51	60	51	169010
Vic. Silver	8	8	8	8½	4500
Vipond Cons.	1.21	1.09	1.20	1.12	42030
Wettlaufer	4⅛	4⅛	4⅛	4	500
Wright-Har.	6.45	6.40	6.44	6.43	4185
Oil Companies					
B.A. Oil	45	44½	44¾	45	1950
Imperial Oil	33½	32¼	32½	32½	1798
Inter. Pet.	28	26¾	27	26¾	2953

Two Large Portland Canal Groups May Amalgamate

B. C. Silver Next Premier and Controlled by Selukue of London and Guggenheims May Join With National Mines

VANCOUVER.—A large mining deal is under way in Portland Canal area. It embraces the amalgamation of the B.C. Silver Mine, adjoining Premier Mine, and National Silver Mine's holdings, under control of a new company which will be financed on the London market.

Both B.C. Silver and National Silver Mines are believed to have on their claims the extension of the main Premier lead.

British Canadian Silver in which the Selukwe Corporation of London holds a 58 per cent. interest and the Guggenheim interests of New York a 37 per cent. interest, has proposed amalgamation with the National Silver Mines, Ltd. Resulting from the merger, according to tentative plans made in London, will be operation of the united properties on a large scale. The announcement of the impending merger halts a story which has been current in mining circles, that Premier Gold Mining Co. has secured control of the B.C. Silver and would work its ground through Premier plant.

O. B. Bush, in 1910, bought for $5,000 a collection of claims which are to-day the most valuable in the Premier Mine's group and which have produced about $20,000,000 in gold and silver.

He sold out to R. K. Neill, of Spokane, and Trites, Woods & Wilson of Fernie. That syndicate in turn gave control to the American Smelting & Refining Co.

Later he bought the B.C. Silver holdings for $20,000 and sold to Selukwe and Guggenheim interests and from Grant Mahood he acquired the claim adjoining B.C. Silver on the east. He named the group the Bush Mines. His purchase price in that deal was $22,000.

Bush says he is convinced that the old Bush claims have the biggest proposition of all in their territory. The Premier ore belt is about 100 feet wide and it has been proved to go to depth with immense values. On the Bush or National group, the belt widens to 610 feet and the mineralized section of that zone on the footwall side is 300 feet wide.

Develop on Large Scale

The acquisition of this ground by B.C. Silver will result in a group that may be developed on a great scale. The new company will have a capitalization of £200,000.

B.C. Silver shares have had a strong advance from around $1 to $1.40, the last quotation seen.

A steady market has developed in Dunwell shares with little stock available.

Howe Sound copper shares have advanced 100 per cent. in the last six months and are selling at $25 now in New York.

Portland Canal area is not yet touched, say engineers who have recently studied the field. New shippers are developing steadily. B.C. Bonanza has 10 tons of high grade ready on the Spider group. The company will steadily enlarge its operations.

MARKET VALUATION OF EIGHT MINES IS 13 MILLION HIGHER

The table following shows the rather remarkable advance that has taken place in mining stocks this month and particularly in the last week. The movement has been general, reaching a wide range of issues. This latter because of the huge sum involved would seem to dispel the talk that the upswing is purely professional. There seems to be a lot of real money entering the markets. Some wonderful advances in market valuations of mines are being recorded in this rise. Hollinger leads all. It is selling at a new high, as are several others. The market puts the following valuation on the leading producers to-day:

	Oct. 1	Present
Hollinger	$76,752,000	$84,870,000
McIntyre	15,760,000	17,480,000
Dome	13,918,676	15,253,344
L. Shore	15,800,000	16,000,000
Mining Corp.	4,565,140	5,146,155
W. Hargreaves	16,912,500	17,682,500
Nipissing	5,820,000	6,000,000
T. Hughes	9,275,002	10,313,073

The advances of the past week have been held fairly well, as the table below shows:

Advances	Oct. 1	High	Present
Beaver	26½	50	48½
Bidgood	7	10½	10
Barry H.	20	29	28½
Can. Lorrain	57	68	68
Castle	119	149	144
Coniagas	180	220	220
C. Reserve	16¼	20	19½
Dome	14.60	16.25	16.00
Everett	6	7¾	7¼
Goldale	20	21¾	21
Hollinger	15.60	17.40	17.25
Kirkland G.	34	72	69
L. Shore	7.90	8.10	8.00
McIntyre	19.70	22.25	21.85
Mining Corp.	2.76	3.25	3.10
Nipissing	4.85	6.00	5.00
Teck Hughes	1.96	2.22	2.18
T. Oakes	53	60	60
Vipond	1.07	1.25	1.25
W. Hargreaves	6.15	6.75	6.43

Losses	Oct. 1	High since	Present
Argonaut	24	24	16
Capitol	36	36	30
Keeley	1.62	1.62	1.55
La Rose	43	45¼	39

Power for Rouyn Field Soon to be Announced

Though new Hydro-Electric power installations in Northern Ontario of late amounted to 46,750 horsepower, bringing the total up to 296,821, the greater portion of this has already been absorbed. The mining industry took the bulk of it and at the present rate of development the present supply will soon become inadequate. Porcupine got the bulk of it, but indications are that the new Quebec copper-gold district will soon call for considerable power. Construction will go ahead with a rush in 1926 now that a railway is assured, and the next big demand will be for power. The plant at Des Quinze will likely take care of these requirements. All that will be needed will be a transmission line for a distance of about forty miles and an early official announcement that it will be constructed is anticipated.

Business in Northern Quebec is expected to expand much more rapidly than was the case in Porcupine, owing to the advantages the territory will possess in the way of efficient transportation service almost from the start of its career.

AMPLE POWER WILL START BOOM IN GOWGANDA AREA

Power Company Already Building Camps—New Report is Coming

ELKLAKE. — Gowganda silver camp will likely have power shortly after the turn of the year. The Northern Canada Power Company already has its gangs in building camps along the route from this point where the Des-Quinze-Porcupine line will be tapped into Gowganda. The event of ample power will mean a great deal to the camp. Nearly all the operators are now using oil. With all the energy required available there will be a broadening out of effort on all sides. Some of the producers will increase their exploratory work and others will start up. It is not unlikely that when Capitol and Keeley complete their drilling exploration, they will halt further work until power is available. Capitol, which will have to go 1,000-ft. or deeper, it is now at 825, will be able to do much more economical work with electric energy and is almost sure to close.

Castle will likely double its mill next summer when the new power is working well. The present mill of 60 tons is really handling 135 tons. That amount is hoisted and sent to the mill but at the crusher table 20 to 25 tons of rock are culled so that the mill is really treating 110 tons daily. Production is being held at around 85,000 ounces monthly and it is the intention to continue this for some time. Castle officials at present are busy puzzling out a way to open up the three new high grade surface finds. One is 800-ft. north, one 500-ft. east and one 800 ft. south of the present workings, making it quite a development problem when the question of cost is considered.

Alfred G. Burrows, chief provincial geologist, has just completed a month's study of the Gowganda camp, checking up on the geology and the latest developments since his last report which was issued as a part of the 1921 report. This will mean that a new report will be forthcoming, likely as a part of the 1925 report. Mr. Burrows says the changes in his original geological map of the camp will be few.

KIRK GOLD CUTS IMPORTANT BODY

Shows Excellent Width and is Now Being Prepared For Sampling

Kirk Gold, which for the last year or so has been the only steady operation in Lebel Tp., Kirkland Lake, is now facing success. The cross-cut run 805-ft. north of the shaft, has tapped a vein 12-ft. wide of sulphides, quartz and porphyry. It is well mineralized and carries into the wall rock for 2,104-ft. as well.

The dip is to the north and the cross-cut was carried through to the hanging wall and drifts 25-ft. each way are being run. It is the intention to then cross-cut the vein at these points, 50-ft. apart and then channel sample the whole thing. Manager H. Donalson has expressed the opinion that the pay streak will be near the foot wall.

The find has created a great deal of talk in the North and is undoubtedly playing a part in the rise in Bidgood shares, although refinancing plans are reported under way for that property. The find, along with that of Queen Lebel, is bound to awaken a new interest in that section of the camp.

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Current Events in Banking World

U. S. MAY LEAD IN ADOPTING A STANDARD CHECK

Idea Considered in Canada But Dropped for Time Being

Those who have had to do with the handling of money in check form in an extensive way, or who have even given their attention to the laboring bank men as they arrange the piles of promises to pay of many different styles and forms, can appreciate the advantages which would be entailed in the adoption of a standard check. The matter has had the attention of the Canadian Bankers' Association, and some progress was made in the direction of securing the adoption of a standard form by the Canadian banks. However, the difficulty was encountered that the plan would be only partially effective so long as other countries, and particularly the United States, with its upwards of thirty thousand banks, continued to follow the present go-as-you-please arrangement; the project was dropped for the time being at least.

Now there is a movement in the United States to do something in the direction of standardization of paper money forms, as indicated by the following editorial in the American Banker:

We Americans like to standardize things because we realize it is good business. We have found that a factory run on the principle of mass production and mass distribution of a standardized article can raise wages, lower prices, and make a bigger total profit at the same time.

Where thousands of checks are handled each day the matter of standardization could surely work wonders. One middle western clearing house manager said that if checks were standardized as to size, color and form, he could eliminate several men from his payroll, and thereby save on his overhead thousands of dollars each year. Under existing conditions, individuals and corporations are exercising too much freedom in getting up their own check books. They use odd sizes, placing the bank's name where they find it most convenient, and use their checks as much for advertising purposes as it is possible for them to do.

What is the result of this individuality expressed in bank checks? For the banker it means the loss of much time in sorting. It is little wonder that there is so much complaint on the part of depositors that their checks become mislaid, and at times charged to the wrong account. The strain on the force handling the items is much increased by the irregularity of the paper they have to clear, and the time it takes them is much greater than it would be were there more uniformity.

Of all the forms of checks which banks clear the voucher type is the most objectionable. Coming in odd sizes they are a nuisance for the banker to sort, and consume considerably more time than the ordinary kind.

The remedy would be an agreement on the part of the clearing-houses to pass regulations eliminating the voucher checks, which, while admittedly convenient for the business man in keeping his records, cast too heavy a burden on the banker who must clear them. By regulating the size of bank checks, and their general makeup—much time would also be saved, and the change could be brought about by a common agreement on the part of the banks to adopt standardized measurements and layouts which would not only be businesslike, but which would make possible a greater facilitation of clearings, and would mean a great saving in time and money.

On account of the large number of state and national banks, as compared with the comparatively small number of chartered banks in this country, the problem of standardization is a much more complex one in the United States than in Canada, and for that very reason it is even more important perhaps that something should be done. Any organized effort towards uniformity will be closely watched by the banking community in Canada, because it would be a much easier matter to effect a satisfactory arrangement among the Canadian banks if a uniform standard were adopted in the United States.—J. W. T.

BIGGER APPLE CROP

OTTAWA.—Canada's commercial apple crop for this year is now estimated at an increase of three per cent. over 1924, or 2,950,335 barrels, according to a report of the Federal Department of Agriculture. The commercial apple crop in Ontario is now placed at 174 per cent., or 1,190,886 barrels—this is a record for this province. British Columbia is expected to contribute 2,318,138 boxes; Quebec, 70,853 barrels; New Brunswick, 55.433 barrels; and Nova Scotia, 860,-450 barrels. All the provinces, with the exception of Ontario, show decreases.

Weekly Bank Clearings

(In comparison with same week last year)

EASTERN CITIES

	Oct. 23, 1924	Oct. 22, 1925
Halifax	$ 2,731,574	$ 2,804,079
St. John	2,646,350	2,804,079
Moncton	916,337	870,576
Sherbrooke	743,163	916,496
Quebec	6,044,530	5,955,534
Montreal	107,875,817	118,529,669
Ottawa	6,819,762	8,425,492
Kingston	701,453	780,006
Peterborough	8[illegible]8,931	751,182
Toronto	110,690,564	106,718,095
Hamilton	4,950,303	5,375,041
Brantford	889,201	1,160,914
London	2,613,779	3,091,651
Kitchener	868,035	1,031,642
Total, East	$249,359,799	$259,214,456

WESTERN CITIES

	Oct. 23, 1924	Oct. 22, 1925
Fort William	$ 1,295,341	$ 904,738
Winnipeg	75,450,457	69,001,742
Brandon	692,120	691,264
Moose Jaw	1,500,744	1,571,218
Saskatoon	1,990,192	2,284,527
Prince Albert	335,661	361,212
Lethbridge	632,203	525,145
Edmonton	4,064,629	4,799,958
Medicine Hat	362,279	356,098
New Westminster	536,955	642,227
Vancouver	17,759,717	18,666,781
Victoria	2,043,469	2,139,060
Calgary	8,079,006	7,130,392
Total, West	$114,742,778	$109,074,362

What About Standard Checks?

An agitation for standardization of check forms has been started in the United States. The matter was taken up by the Canadian Bankers' Association some time ago, but was allowed to rest because it was considered that a standard form would be of little use in Canada unless adopted by other countries. There may now be an opportunity for Canadian and American banks to get together if the matter is again brought to life in Canada.

What is the opinion of Canadian bank men on this question? I will be glad to consider suggestions as to what can be done from the men who have the handling of the paper. In this way interest may again be aroused and something accomplished. Names of correspondents withheld if desired.—J. W. T.

Manager and Clerks Get Rewards in Robbery Case

VANCOUVER.—Rewards from the Canadian Bankers' Association have been paid to A. A. Wilson, manager of the Powell Street branch of the Canadian Bank of Commerce and his clerks, I. W. Purves and J. N. Butler, who frustrated an attempted robbery of the bank on Aug. 28. Mr. Wilson received $1,000 and each of the youths $250.

On the morning of Aug. 28, Fred Campbell, who had made entry by night to the Powell Street bank, forced the manager, Mr. Wilson, and his two clerks into a vault at the point of a revolver. By a quick ruse, Mr. Wilson left the vault and slammed the door shut on the would-be hold-up man and the two bank employees.

When the police arrived the vault was opened. The desperado, who had been firing a stream of lead at the lock on the vault door, was found to be thoroughly unnerved, but the boys who had been in dangerously close proximity to the gunplay, stepped forth nonchalantly. The bandit was convicted and sentenced to a jail term.

BANK OF MONTREAL

A branch of the Bank of Montreal will be opened at Corner Brook, Newfoundland, about November 2, under the management of M. A. Johns.

Instalment Selling Has Diverted Buying Power

Business Adjusting Itself to a New Situation — Abuse of New Credit Facilities Should be Guarded Against by Merchants

While the feeling in business and banking circles in regard to instalment selling in Canada is that it has been conducted on a financially sound basis, and has not, as yet at least, introduced any serious element of inflation, it has, nevertheless, been accompanied by important changes in the channels and methods of merchandising. These changes are worthy of careful attention on the part of merchants, not only in relation to the consuming markets for various articles of merchandise, but also in relation to the diversion of buying power. In some instances, too, there may be involved abuse of credit facilities being provided, and this must be guarded against. The whole situation has its interest for the branch bank manager in his relations with his customers, apart from the head office problem of financing the paper representing the credit foundation of the whole part-payment credit structure.

It has been estimated that something like 80 per cent. of the automobile sales now being made in the United States are on the part-payment basis. The percentage is no doubt considerably smaller in Canada, but the instalment plan is a very important factor in the merchandising situation here also, not only in regard to automobiles, but gramophones, washing machines, household furniture, etc., as well. And the situation must be faced that if the buying of goods and articles which can be successfully sold on the instalment basis has increased, there must, in the last analysis, be a curtailment of buying power available for other merchandise. The part-payment plan may increase buying power temporarily, but it does not increase income, excepting in those few cases where the credit is employed in the purchase of equipment or appliances which will have this effect.

Diverting Buying Power

In connection with the inquiries I have been making in regard to the effects of this wider adoption of credit selling, the general manager of one of the Canadian banks points out: "No doubt many people are encouraged to buy on credit, articles of luxury beyond their means, which they would do without if obliged to pay cash, and the indiscriminate extension of the instalment system in this direction would be an evil in that it creates a mortgage on future earning power and tends to undermine the habit of thrift."

If, then, the extension of credit leads to the buying of articles of luxury in larger proportion in relation to income, the buying power in relation to other articles and goods must necessarily be curtailed. The situation has been likened to a runner in a race who gains a lap, but in so doing extends himself so that he finds it difficult to maintain the pace he was traveling at prior to his sprint. The buyer who takes advantage of the instalment system not only finds that, when he has reached his limit of credit, his buying power is back to its old relation to income, but he has also to provide for the deferred payments. Where earning power is curtailed the man who has taken advantage of the part-payment plan to the limit of his temporarily larger income may find himself in a position where his funds for current expenditure are seriously curtailed after instalment payments are provided for. This is a phase of the situation in regard to which retail merchants must be on their guard, and it is of interest to bankers in their relations with merchant customers.

The Competitive Factor

All this is said without criticism of the instalment payment plan when employed in a conservative way. It has been a material factor in the wider distribution of motor cars, gramophones, etc., at the expense of other lines of merchandise, but it must be expected that competing manufacturers will adopt every means at their command to increase sales. The general manager of another bank sums up the situation in this way: "Unquestionably the motor car in particular has diverted funds from other lines of business; this cannot be helped and business soon adjusts itself to new conditions; new expenditures appear to be largely taken care of by curtailment in other directions; we think the situation is not dangerous, nor likely to become so, in this country."

Altogether the situation is one which manufacturers, merchants, and bankers should watch carefully. Instalment selling represents one of the new paths which business is making, and foresight will be required to guard against pitfalls.—J. W. T.

Staff Gossip

I. Orr, of the Bank of Montreal branch here, has been transferred to the Bedford branch.—Bulletin, Ormstown.

* * *

E. V. Peck of the Gananoque branch of the Bank of Montreal has been transferred to the Belleville branch, where he has assumed charge of the current ledgers.—Standard, Kingston.

* * *

H. B. McLeish, who has been accountant at the Port Arthur branch of the Imperial Bank, has been transferred to Maymont, Sask., to manage the branch there.—New Chronicle, Port Arthur.

* * *

Reg Barnhart, for eleven years manager of the Molson's Bank at St. Mary's, has been transferred to head office of the Bank of Montreal, at Montreal.—Sun Times, Owen Sound.

* * *

W. A. Burrows, manager of the Bank of Montreal at Walkerton, is withdrawing from the active management of the local office and after six months' leave of absence will retire.

Mr. Burrows' service with the bank dates back over thirty-five years and he has been manager at Markdale, Elora, Oakville, St. Thomas, Westport, Leamington, Brantforl and Walkerton.—Sun Times, Owen Sound.

* * *

H. A. Tofield, manager of the Bank of Montreal, Belleville, whose death occurred during the week, had been manager of the Brock and Wellington Sts. branch of the Bank of Montreal in Kingston. He was, previous to this, manager of the Merchants Bank at Renfrew.—Intelligencer, Belleville.

* * *

T. W. Judd, for many years manager of the Canadian Bank of Commerce, Sutton, has just retired under the superannuation plan of the bank. Mr. Judd was for many years in the service of the Eastern Townships Bank, spending a number of years at Coaticook and Stanstead. He is one of the best known and most esteemed members of the Bank of Commerce staff in the townships.—Record, Sherbrooke.

BANKERS' LECTURE CLUB

At a meeting of the Winnipeg Bankers' Lecture Club held recently, the following officers were appointed for the 1925-26 term:

Honorary patrons, Jackson Dodds, assistant general manager, Bank of Montreal; J. W. Hamilton, assistant general manager, Royal Bank of Canada; F. E. Kilvert, superintendent of Manitoba branches, Canadian Bank of Commerce; Hedley Marsh, western superintendent, Bank of Toronto; H. T. Jaffrey, assistant general manager, Imperial Bank of Canada; J. S. Turner, Supervisor, Standard Bank of Canada; F. L. Patton, assistant general manager, the Dominion Bank; F. L. Graham; manager, Bank of Nova Scotia; J. E. Arpin, manager, Banque Canadienne Nationale;

Executive chairman, S. E. Rae, Royal Bank of Canada; vice-chairman, E. J. Townshend, the Dominion Bank; R. Argo, Bank of Montreal; G. M. Fitzgerald, Standard Bank of Canada; G. A. Taylor, Canadian Bank of Commerce; T. R. Richardson, Imperial Bank of Canada; S. B. Chamberlain, Bank of Toronto; E. Wheeler, Bank of Nova Scotia.

The executive of the club have set to work in good time to arrange for lectures and other important details in connection with the winter activities of the club.

Branch Banking as a Means to Better Service

Branch banking found an able and original champion at the annual convention of the American Bankers' Association in the person of R. F. McNally, vice-president of the National Bank of Commerce, St. Louis. The belief that a bank should do all its business under one roof he described as "Fundamentalism in banking," and declared himself among the "Liberals" who hold that safety and convenience are best assured to the public by large banks with service stations wherever needed.

"The public is catered to in every other line of business," he said, "and it regards convenience as a matter of course."

NOVA SCOTIA

The Bank of Nova Scotia has opened a branch at Arrowwood, Alta.

ALBERTA'S SUGAR FACTORY

EDMONTON.—Alberta's new million dollar sugar factory at Raymond, south of Lethbridge, has been opened. The plant expects to handle something like 90,000 tons of beets this season, and has already commenced operations. The crop is a particularly heavy one, although being harvested under adverse weather conditions. Yields ranging anywhere from ten to twenty tons of beets per acre.

Exchange

NEW YORK FUNDS

	High	Low	Last Year High	Last Year Low
Oct. 22	x11-64	x11-64	Par	Par
Oct. 23	x11-64	x 3-16	Par	Par
Oct. 24	x11-64	x 3-16	Par	x1-64
Oct. 26	x 3-16	x 3-16	Par	x1-32
Oct. 27	x11-64	x 3-16	Par	x1-32
Oct. 28	x 5-32	x11-64	x1-32	x3-64

xDiscount.

STERLING, FRANCS AND LIRE

	Sterling Demand	Francs Demand	Lire Demand
Oct. 22	4.84⅛	4.29½	3.95¼
Oct. 23	4.84¼	4.20¾	3.99¼
Oct. 24	4.84⅝	4.07¾	3.99½
Oct. 26	4.84⅝	4.27	3.99¼
Oct. 27	4.84½	4.17	3.95¼
Oct. 28	4.84½	4.17¾	3.95¾

BANK DEBITS WERE HIGHER IN SEPTEMBER

Increase Shown Over August, But Little Change Compared With 1924

OTTAWA.—The bank debits at the clearing house centres of Canada as reported to the Dominion Bureau of Statistics, were in September $2,195,900,000 as compared with $2,090,200,000 in the preceding month. This is an increase of $105,800,000, or 5 per cent., over August, but if allowance were made for seasonal tendencies, according to the experience with bank clearings in the last 10 years, the increase would be reduced to about three per cent. As compared with September, 1924, the bank debits were nearly maintained, the difference in the totals being less than two-tenths of one per cent.

The clearings in September were $1,322,400,000 as compared with $1,248,100,000 in August last and $1,363,700,000 in September, 1924, representing an increase of nearly 7 per cent. and a decline of 2 per cent. respectively, for the two comparisons.

	Debits to Accounts Sept., 1925	Debits to Accounts Sept., 1924
Maritime Provinces—		
Halifax	26,650,994	20,114,349
Moncton	6,084,556	6,272,375
St. John	16,139,912	16,768,360
Total	48,875,462	43,155,084
Quebec—		
Montreal	619,243,337	574,621,652
Quebec	48,421,625	40,550,806
Sherbrooke	8,425,754	7,719,610
Total	676,090,716	622,892,068
Ontario—		
Brantford	6,943,071	6,740,365
Chatham	5,575,390	5,585,996
Ft. William	7,368,031	7,392,355
Hamilton	49,793,687	47,427,856
Kingston	5,137,906	5,424,493
Kitchener	6,125,342	7,386,676
London	20,136,392	20,096,207
Ottawa	139,786,768	122,899,563
Peterborough	6,493,489	5,716,508
Toronto	617,344,537	729,528,216
Windsor	26,760,596	24,200,051
Total	892,966,209	983,342,296
Prairie Provinces—		
Brandon	4,656,931	4,156,689
Calgary	44,076,848	39,215,306
Edmonton	30,052,108	26,405,628
Lethbridge	5,426,562	5,007,238
Medicine Hat	2,779,636	2,580,516
Moose Jaw	8,153,325	7,875,854
Pr. Albert	1,729,625	1,767,849
Regina	48,077,136	20,072,556
Saskatoon	11,413,063	10,438,408
Winnipeg	274,842,160	289,413,980
Weyburn Bank	5,003,076	2,774,333
Total	436,209,470	409,606,856
British Columbia—		
New Westminster	6,087,362	5,222,114
Vancouver	110,973,214	113,455,737
Victoria	24,714,323	20,737,042
Total	141,774,899	139,414,893
Grand Total	2,195,916,756	2,196,418,187

THE FINANCIAL POST

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THE FINANCIAL POST HAS THE LARGEST PAID CIRCULATION OF ANY CANADIAN FINANCIAL PAPER.

TORONTO, OCTOBER 30, 1925

OUR EXPORTS OF BRAINS

ONE of the big Canadian industries which has a school in which young engineers are being trained for executive positions, has within the last year lost ten out of thirty-five of these young men; they have gone to the United States to take positions more attractive than are offering in Canada.

These young engineers are the graduates of our splendid Canadian universities, and of elementary training schools which are second to none in the world. They represent the product of educational machinery costing the people of Canada many millions of dollars every year in addition to hundreds of millions of capital investment. Their education would represent a cost of at least $3,000 each, apart from the time expended in taking the various courses.

The economic loss to Canada in educating young men to fill technical and other positions in other countries is a serious matter. It is the duty of the governments which provide for or support the splendid educational facilities of which they are the product to endeavor to see that opportunities are provided for the employment of their talents in the development and upbuilding of their own country.

EDUCATION FOR DIVIDENDS

THE arrangement by which McGill Unversity will collaborate with the Government and the Forest Products Laboratories is of the greatest importance to the future of Canada's pulp and paper industry. In the laboratories there will be four research men paid by the Canadian Pulp and Paper Association and free from the restrictions of the Civil Service Commission. The pulp and paper industry has made a grant of $20,000 per annum for five years for this purpose.

The plan also provides for a graduate school from which the industry will be able to draw its technical and scientific men in the future. In the past many of the scientific and technical officials of the pulp and paper industry obtained their training in the Forest Product Laboratories of the United States or in schools overseas.

The pulp and paper industry is one of the most important in Canada. To insure that it will continue so, involves the preservation of our forest reserves from fire and disease, scientific cutting and constructive plans for reforestation. In entering into this work McGill University is providing a valuable example as to the practical work in which leadership can be provided by our educational institutions.

PAYING FOR THEIR WHISTLE

IN AN informative and incisive address on municipal finance, A. K. Bunnell, the capable treasurer of Brantford, told the members of the Rotary club of that city that out of the huge total of $600,000,000 of taxation paid by the people of Canada for all purposes, more than one-third, or $211,000,000 was paid to the municipalities. From this the speaker drew the lesson in a forceful way that the citizens ought to give earnest attention to the study of municipal affairs and call a halt on every unnecessary and extravagant expenditure.

It is estimated by Mr. Bunnell that every man, woman and child in Ontario is paying $45 a year in municipal and school taxation. This is largely accounted for in the demands of the people for additional educational facilities and other civic advantages. The increase has been from $19 per capita in 1914 to $45 in 1925.

In Mr. Bunnell's figures, so effectively presented, there is food for serious thought on the part of taxpayers. If the size of the tax bills has the effect of arousing the people to an examination of the cause a great good will have been accomplished. The taxpayers themselves have the matter within their own control. What the country is suffering from is too great a willingness to plunge into all sorts of municipal extravagances, evidently in the mistaken belief that public expenditures are nobody's expenditures. When the taxpayers realize that as citizens they must pay for their municipal whistle, no matter who plays on it, there will be hope for lower tax rates.

TREATING PETER AND PAUL ALIKE

OTTAWA has quite properly decided to tax the Hydro on the same basis as the private company with which it competes. The Ottawa Citizen objects that this is "merely taking money from one pocket and putting it in another." Even so, is it not good bookkeeping to keep track of what public ownership is really costing the community? Besides, it must surely appeal to all reasonable-minded people that it is unfair to tax one company in order to help pay the way for another company with which it must compete.

Private enterprise must expect to be judged by performance in comparison with public ownership, but it has a right to ask that conditions be made equal. This applies to charges made for water rights, to provincial and municipal taxation of generating and distributing plants, and also to the taxation of retail equipment establishments which have been opened up by the Hydro in a number of cities.

OUT OF THE LUXURY CLASS

THE American Automobile Association cites some new and interesting figures on the motor car industry to show that the automobile is no longer a luxury:

> Ninety per cent. of all passenger cars, according to the association, are used more or less for business purposes. One hundred and forty-four thousand doctors, or 90 per cent. of all in the United States, use the automobile for professional service. More than 225,000 suburban home owners are wholly dependent on motor transportation.
>
> More than 2,000,000 freight carloads of automotive products are shipped over the railroads annually. More than 3,119,000 persons are employed either directly or indirectly in the manufacture of motor vehicles and equipment. This represents seven per cent. of all persons gainfully employed in the United States.
>
> The states of greatest commercial and industrial activity show the largest number of motor vehicle registrations. Nearly five million cars and trucks are owned by farmers, the light truck having in great measure taken the place of the horse and wagon.

All of which goes to show that the motor car is taking a definite place as a commercial as well as a personal means of transportation. Not only has it passed the stage where it can be classed as a luxury, but it is proving a successful competitor of the electric and steam roads in the short haul of both passengers and freight.

EDITORIAL NOTES

CANADA with its scores of races living in peace and harmony is not a bad object lesson to the Inter-parliamentary Union.—Toronto Globe.

This statement would read more convincingly after October 29th.

* * *

"WHEAT has taken a directly opposite course to that of last year," says a market letter. Which reminds us that precedent counts for little in the plans of speculators.

* * *

"WHAT is the great issue in this campaign?" asked Mr. Meighen at Stellarton, N. S. "The Stellarton post office," answered some one in the back of the hall. Which is a sermon in politics.

* * *

THE sum of $4,874 belonging to a St. Catharines woman was found after her death sewn between a couple of old skirts. Yet another indication that the banks still have educational work to do regarding their services to the public.

* * *

IT IS significant that with the improvement in business and general economic conditions in Western Canada, there has been a much more favorable attitude towards the banks and other big business institutions of the country. The attitude of the people has changed with better times and likewise the attitude of the legislative bodies.

* * *

DURING the past shipping season, 2,470,000 seedlings, cuttings and transplants were sent out from Indian Head to 3,080 farmers and 2,500,000 were distributed from Sutherland to 3,010 farmers in Saskatchewan. To date approximately 81,000,000 seedlings and cuttings of broadleaf trees and nearly 1,500,000 young spruce and pine transplants have been distributed. Which indicates that something can be done for baldness even in the case of bald prairies.

* * *

VANCOUVER, which has done very good work in bringing American tourists to British Columbia during the summer as the result of enterprising publicity, is now planning a campaign for the prairies to attract people to the Pacific Coast for the winter. There are two points of interest. One the recognition that there has been a return of prosperity to the prairies. And the other than Canada can herself provide a moderate climate for those who would escape the rigorous winter of the prairies.

Democratic Ownership Now in Big Business Enterprises

Trend to "Popular Ownership" of Our Great Corporations Follows Rise in Incomes of People and Spread of Sound Knowledge on Business—Effect of War Loan Campaigns

By FLOYD S. CHALMERS

THERE have been reasons in the past why the corporate structure of society could hardly become thoroughly democratized. It has been through the elimination of many of these obstacles that the trend to popular ownership of our great business institutions has been made possible. To-day the term "investor" labels millions of working men and salaried people. It is no longer a title for the rich man only.

In the past, the low wages of workers, wages that permitted of little more than the minimum comforts of life, put thrift and investment beyond the reach of the masses.

The influx of new workers to the United States and Canada, workers who knew nothing about the standards of living that had developed on this continent, gave the industries of the continent a steady supply of low-priced workers, and helped to keep wages low. The competition was for jobs, not for workers, and the laborer was poor material for development into a capitalist. To-day, the better educated, better paid masses have the opportunity to save, and have for years been saving, as is attested by savings deposits totalling $1,261,000,000 in Canadian banks, and total life insurance policies in the country of $2,414,000,000.

Prey of Crooked Stock Promoters

Another feature that tended to prevent widespread investment by the masses in sound money-making services was the fact that the uneducated laborer, as well as the middle class salary earner, was the prey of every fraudulent stock promoter with a new way of taking the public's money dishonestly. Unable to exercise informed discrimination, the person who had saved a few dollars gave it to the man who first offered him a plausible scheme. As the banks and the life insurance companies and the investment houses of the country had not the time nor the foresight to attempt the aggregation of these billions of dollars' worth of tiny nest eggs, the only propositions the ordinary man ever had offered to him were the schemes that could stand a high-selling cost. These were the weak or deliberately crooked exploitations that the law frowned upon with its eyes winking.

Two or three experiences with such propositions were enough to convince any man that saving and investing were unaccountably useless. Instead of being encouraged in thrift, the small investor was discouraged at the start.

To-day, laws governing the promotion of new enterprises are stronger and better enforced. Less capital is being dissipated in crooked schemes.

Ranting Demagogues Ruled

There was another reason why the potential savings of the masses were not being diffused into the ownership of corporate enterprises. This was the fact that the general public was very much under the influence of ranting demagogues, who had developed in the natural course of events, as an unpleasant counter-balance to the "bloated capitalist," who was, whether a reality or a myth, constantly exploited in the cartoons of thirty or forty years ago. The public was misled by these demagogues. Any corporation, serving the public and making a profit or not making a profit, was the legitimate prey of popularity seeking orators. Damnation of a railway, or baiting of a public utility, was not the sure road to heaven, but it took the empty-headed job-hunter a long way towards a civic, provincial, or federal government office.

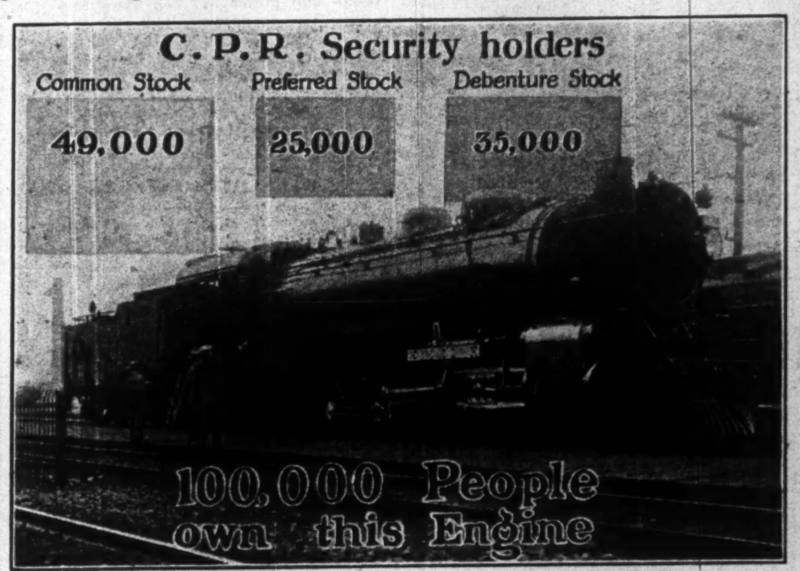
These popular leaders, aided and abetted by a press that wanted to build circulation with the masses, convinced people that capital was essentially evil and predatory. With the improvement in conditions, these leaders have disappeared, just as rats disappear when a building is cleaned up. There is a better understanding of the functions of capital in the promotion of prosperity. The working man aims to become a capitalist—although he might not think of that word in setting the mark he intends to aim at in his thrift and investment.

Influences That Have Helped

With the elimination of these obstacles to the spread of the ownership of our revenue-producing and profit-making properties, the factors that have been actively working to promote the so-called "new ownership" have had opportunity to do their promotional work. Several influences have been at work.

In the first place, many corporations have attempted to solve the vexed question of labor turnover by employee-ownership schemes. They have sought to hold their employees by granting them bonuses of preferred or common shares, or by giving them stock subscription privileges, sufficiently inviting to encourage employee purchase of securities.

Again, the movement towards a blanket ownership of our great corporations has been given impetus by attempts of business institutions, particularly public utility corporations, to obtain and hold the goodwill and also the patronage of those they wish to serve, by inviting them to invest. Customer ownership plans, inaugurated with striking success by a number of leading Canadian utilities, and promoted in a minor way by industrial corporations, have greatly increased the number of stockholders in such enterprises.



To some extent, corporations have been forced into bigger, less concentrated markets to find funds for expansion. Consider the public utilities again: It is estimated that, on this continent, the public utilities double their investment every five years. This has meant that they have had to raise colossal sums by the sale of securities. It has been frankly impossible for them to raise these large amounts by appealing to the former limited class of investors, whose interest in investments has been dulled by sur-taxes and death taxes. Searching around for money, the companies have developed the procedure of appealing to the masses, and, by gathering many a mickle, make their muckle. If it was the Victory loan campaign in Canada and the Liberty loan campaigns in the States, that made investors of us all, it was also those campaigns that taught investment houses what the masses meant to their business. There are in the city of Toronto about 125 established bond-selling firms. Obviously, it would have been impossible for 125 investment houses to have existed under former conditions. There would not have been enough clients to go around. To-day, there are hundreds of thousands of investors, large and small, in Canada, and the investment houses selling the securities of corporate enterprices have a vast market to scour for funds. By their own aggressive efforts and better advertising, these investment houses have greatly won the confidence of investors generally, and are able to distribute their offerings widely. An ordinary industrial bond issue will probably find 1,000 or more buyers. One investment house has 13,000 names on its mailing list. Others probably run higher.

After "Far-Flung Goodwill"

We have to consider further forces that have been at work to divide up the holdings of the available securities of the nation and its business enterprises. There has been the deliberate effort on the part of the heads of large corporations to divide up the holdings of their securities among the widest possible number of people. This they have done in the interests of stability; also because they are seeking to develop what one writer has called "far-flung goodwill."

There you have the story of the development of this movement for "popular ownership" as opposed to "public ownership," and a review of some of the fundamental factors that have worked to develop the movement.

Next week, the story of the growth of the shareholders' list of a number of leading business enterprises will be told.

Democracy in Business

Stockholders in Big Canadian Corporations

Public Utilities, etc.—		
Bell Telephone Company	Capital Stock	13,385
Brazilian Traction, Light & Power	Capital Stock	12,500
Canada Steamship Lines	Preferred Stock	2,750
	Common Stock	1,500
Canadian Pacific Railway	Common Stock	49,200
	Preference Stock	25,000
	Cons. Debenture Stock	35,000
Consumers' Gas Company	Capital Stock	2,752
Manitoba Power Company	Capital Stock	1,680
Montreal Light, Heat & Power	Capital Stock	6,000
Shawinigan Water & Power	Capital Stock	7,900
Southern Canada Power	Preferred Stock	4,410
Winnipeg Electric Company	Preference Stock	1,793
	Common Stock	1,352
	Debenture Stock	1,351
Industrial Corporations, etc.—		
British Empire Steel Corp.	Various Stock Issues	11,500
Canadian Car & Foundry Co.	Preference Stock	1,981
	Common Stock	454
Dominion Textile Company	Capital Stock	2,600
Goodyear Tire & Rubber Co.	Preferred Stock	2,490
	Prior Preference Stock	265
Hollinger Consolidated Mines	Capital Stock	5,200
Laurentide Company	Capital Stock	2,575
Penman's	Common Stock	482
	Preferred Stock	465
Spanish River Pulp & Paper Mills	Capital Stock	2,000
Steel Company of Canada	Preferred Stock	2,323
	Common Stock	2,289
Banks—		
Canadian Bank of Commerce	Capital Stock	9,172
Bank of Montreal	Capital Stock	8,482
Royal Bank of Canada	Capital Stock	12,000

Young Men in Finance

Jim Macdonell Offends Best Business Traditions and Inspires Cabinet Minister to Write Poetry

By RIELLE THOMSON.

Tradition dies hard. The business community has many "taboos" regarding young men—especially those who are supposed to be best fitted to take a prominent place in the mad whirl of earning the daily bread—and butter (especially the butter). Generally speaking, young men who have been athletes do not meet with a kind reception from prospective employers; nor does scholarship find many business men who regard it with favor; whilst an Oxford or Cambridge education may be even regarded as a handicap. Broadly speaking, too, the world of business is inclined to figure that lawyers are unequipped to enter those paths which lead to the depths of mere bartering. For one reason or another, also, some business men may regard the ex-officer as being more or less unsuited for the tremendous struggle of the business world, despite the fact that these men have engaged in struggles for far greater stakes.

JAMES MACDONNELL

Here is a young man who knocks all these inhibitions into a cocked hat. James Macdonnell is a lawyer, was a Rhodes scholar, was an athlete of championship stature at Queen's University, is a graduate of Balliol College, Oxford, and served from the beginning of the war until its conclusion with the Canadian Field Artillery, ending up as a major, with the Military Cross and the Croix de Guerre.

Despite these many handicaps, "Jim" Macdonnell is the Montreal manager of the National Trust Company, and is another young man who is making a real niche for himself in the business world.

Born in the ancient but sleepy city of Kingston, Ontario, Macdonnell in 1904, at the age of 20, graduated from Queen's University, where he found the time to win a Rhodes scholarship between intervals of playing on that University's championship football and hockey teams. His scholarship took him to Oxford, where he graduated in 1908. Then back to Canada and once again more study at Osgoode Hall, Toronto, which he left in 1911 as a barrister. The same year found him in the employ of the National Trust Company.

Macdonnell, while at college, does not seem to have gotten into any bad scrapes—at least, one Montreal engineer who was at college with him phrased it thus, "Jim never got himself into any scrapes that he was not clever enough to get himself out of."

Macdonnell's height, and the dourness of his Scottish humor, recently awoke the creative muse in the mind of his brother-in-law, Honorable Vincent Massey. Those who know Macdonnell and are accustomed to seeing him striding along St. James Street, with his four-foot pace, will appreciate the rhyme:

"JIM
D'you know him?
Smile is prim;
Jokes are grim;
Morals trim;
Legs are slim;
(Irreducible—each limb!)
One of the longer seraphim!
Attenuated cherubim!!
And unco Presbyteri-im!!!
That's JIM!"

Probably due to his Scottish ancestry, Macdonnell is extraordinarily reserved. This is illustrated in an incident which took place several years ago, when he, with a party of others, visited Mexico. The organizer of the party was Home Smith, a friend of Macdonnell's. Everyone who knows Home Smith knows that he is something of a wag. As the party moved southward, a close friend of Macdonnell's in Toronto was surprised to receive the following series of telegrams:

Detroit—"Jim likes us, but does not approve of us."

Chicago—"Jim likes us and approves of us."

Laredo, Mexico—"Jim likes us, but we cannot approve of him."

He has had a good past—as far as achievement goes. As to his future, perhaps the best way of expressing it is in the tongue of his forebears: "He's a braw lad wi' a future."

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SATISFIES READERS

"It is a further evidence of the value of good counsel, which I have received through The Financial Post on other matters."

The above extract is from a letter from an Alberta resident. He had a financial problem and submitted it to The Financial Post inquiries department. The solution offered evidently proved satisfactory. This is only one of many letters testifying as to the satisfactory service given our readers.

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Investment Securities

Your Investments

Questions of general interest submitted by subscribers of The Financial Post will be answered in this column, in which case only initials will be used. Other inquiries will be answered by mail. A three-cent stamp should be enclosed to cover a direct reply.

Teck-Hughes and Vipond

Reader, Ontario.—Would like your opinion of Teck-Hughes and Vipond. Which is the best buy?

Both Teck-Hughes and Vipond are good buys to hold for appreciation. Within six months the former should pay dividends.

Porto Rico

Reader, Nova Scotia.—Will you advise me as to the preferred stock of Porto Rico Railways?

Porto Rico has been doing well. Its power business is going ahead rapidly, and a new tramway franchise is being negotiated to the end that jitney competition may be curbed.

Keeley Silver

W. M., Toronto.—Keeley Silver Mines would appear to be a good buy; do you know the reason for its present low price?

We have been constantly advising our readers that Keeley's position was sound. At the present price, it gives a yield of around 17 per cent.

Canadian Canners

Montreal Investor.—What is the chance of Canadian Canners paying entire back dividends in the near future?

None—It is believed that the stock may be put on a 4 or 5 per cent. basis in 1926, and perhaps on in that year a move may be made on the arrears now amounting to about 15 per cent.

Brazilian Common

H. E., Ontario.—I own 20 shares of Brazilian common, bought in 1924 at 57. What is your opinion regarding this stock?

Brazilian now shows you a profit of close to $500. The stock has had an exceptional rise, and if the exchange situation continues to improve, it may easily go higher. However, there has been a great deal of speculation and a reaction would not be a matter for surprise.

British American Oil

Reader, St. Catharines.—I would like your opinion of British American Oil.

British-American Oil is well regarded. It is selling around 44½ and yielding 6 per cent. Brokers close to the company say earnings are better than 20 per cent., and they expect the dividend to be raised to 10 per cent., with a bonus of 2 per cent.

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Home and Foreign Securities

F. M., New Brunswick.—Would like some information regarding Home and Foreign Securities Co.

Home and Foreign Securities is a syndicate whose shares are closely held at present. It is paying 9 per cent. No trades in the shares have been recorded in some time, the last being around 105 or 110. The syndicate buys and sells stocks and bonds.

Argonaut, West Dome, Ankerite

W. S., Ontario.—I would like your opinion on Argonaut, Consolidated West Dome, Coniarum and Ankerite. Would you consider any of the three a fair hold for two or three years?

Argonaut has just reorganized, and with ample funds in the treasury should work out well. Consolidated West Dome is not in a strong position financially, or as to ore reserves. Ankerite is at the producing stage. A mill will soon be built on the property. Any of the three may work out well.

Canadian Connecticut Cottons

H. C., Nova Scotia.—What is your opinion of Canadian Connecticut Cotton 8 per cent. preferred?

As you know, the Canadian Connecticut Cottons makes tire fabric. At the time of the business expansion in this country this industry became decidedly over-extended. As a consequence, the company has a second large plant on its hands at Sherbrooke, P. Q., which it hardly uses. As time goes on, this plant might be sold or used to produce something other than tire fabrics. When this occurs, it will undoubtedly benefit the company greatly. The latest report indicates that it is experiencing better business.

Everett Silver Mines

B. B., Toronto.—As a subscriber to your paper may I ask for information regarding the Everett Silver Mines; as to their location, their financial standing, their management, and value of this stock. Do you think this a good speculation? What work has been done on this property and what are the results? It has been rumored that Castle Trethewey will take over the Everett. Is there any truth in this? How long do you think it will take to put this mine in a producing position?

Everett Silver Mines are located in Gowganda camp. Finances at present are not large, but the directors some time ago decided to put up sufficient funds for diamond drilling. The company is in good hands. Considerable sinking and lateral work has been done without much success, and on the recommendation of a consulting engineer, operations were halted to await the outcome of developments on the adjoining Castle property. It is still closed. The shares are at present selling around six cents. It is a fair speculation.

Power Corporation

R. T., Nova Scotia.—Will you kindly give me an expression of opinion on the merits of the common stock of the Power Corporation of Canada? I am offered this stock at 25. Does it seem reasonable to expect an appreciable advance in same in the course of two or three years?

The common stock of the Power Corporation of Canada was given as a bonus some months ago with the preferred stock offering of that company. In view of the record of the power companies in the past and the possibilities of the future, it certainly seems reasonable to suppose that you would obtain a good return on the common stock of the Power Corporation after a few years.

The Power Corporation's assets consist of stock in a number of good power companies in this country. It would seem, therefore, that the Power Corporation itself cannot fail to make progress. At the present time there is no market for the common stock, but 25 seems a reasonable price. No doubt, should you wish to dispose of your holdings before the stock has become seasoned, the interest behind this company would take the stock off your hands. However, as you say in your letter, the thing to do with a security of this nature is to buy it for a long hold.

British Empire Steel

S. E., Saskatchewan.—What would you think of Besco as a buy for a long pull?

The future of the British Empire Steel Corporation depends on two things. Firstly, whether or not the Corporation can arrive at harmonious relations with its employees, and, secondly, whether or not this country will experience a general revival in business during the next five years.

At the present moment, the Corporation is experiencing better business than it has done for a long time. General indications seem to point to the fact that this improvement will continue and probably increase.

However, there still remains the labor problem. At present, there is nothing to indicate that the company is through with its labor troubles—but, at the same time, there is nothing to indicate that these will be resumed. If you want to take a gamble—realizing that it is such—some of the first preference stock of the company might make money for you.

Commercial Life

Banker, Saskatchewan.— Will you kindly advise us the value of shares of the Commercial Life Assurance Company, par value and market value at the present time?

The par value of the stock of the Commercial Life Insurance Company is $100 a share. The stock was sold by the company on a call of $10 on the capital and a premium of $35, making a total of $45 per share. The company is not selling any additional shares, and it is doubtful if any more will be sold. The company has not yet declared a dividend, and there is not a wide market throughout Canada for the shares. However, in the city of Edmonton, where the company has its head office, we are informed by financial brokers that there is quite an active market for the stock around $16 or $17 a share.

The company is making good progress and is in a sound financial condition, certainly as sound as most life insurance companies at its age, and sounder than many of our established older companies were at the Commercial Life's present age. Life insurance laws are tighter and the companies are more restricted in regard to assets and liabilities than formerly.

Retail Hardware Mutual

Banker, Ontario.—Is the Retail Hardware Mutual Fire Insurance Co., safe to insure with? A number of our business men have been approached regarding taking insurance with them.

The Retail Hardware Mutual Fire Insurance Company maintains the proper reserve with the Dominion government and is regularly licensed. We would consider that the policies issued in this company and two other mutual fire companies through the Canadian Hardware Implement Underwriters of Winnipeg are reasonably well protected, and, according to the company's record, the dividends paid have amounted to a substantial refund on the premium charged.

Such companies as this one have met with considerable opposition in Canada, and many business men have preferred to continue to place their insurance with the old well-established companies rather than insure with companies where there is always the potentiality of either an assessment or a weakening of the company's position through extra heavy losses in some year. On the other hand the record of the company has been very good in Canada and they have effected their savings chiefly through getting down the cost of acquiring business and through reducing expense ratio. The fact that the tariff companies are now giving serious consideration to the problem of reducing these factors in the rates they charge is not without significance.

Conservatism and sound management count in a mutual company as in any other kind of a company, and, given a sufficient financial strength and variety of risk to insure stability, the mutual company, under present conditions, has a place in the insurance of high-class risks.

Dominion Steel Preferred

Banker, Saskatchewan.—I should be pleased to receive your opinion regarding Dominion Steel preferred, which I see is selling round 25. Will you please advise me what security is held for these shares?

In The Financial Post of October 16, which you have no doubt seen, we ran an article dealing with the British Empire Steel Corporation and showing its financial structure. From the chart accompanying that article you will see that the security behind the preferred stock of the Dominion Steel Corporation is the common stock of the following subsidiaries of the Dominion Steel:

The Dominion Iron & Steel Company.

The Dominion Coal Company.

The Cumberland Railway & Coal Co.

James Pender & Company.

The Sydney Lumber Company.

The preferred stock in this company is, of course, speculative. During the last two months the British Empire Steel Company, as a whole, has experienced much better business, and the outlook for the future seems considerably improved. No doubt if business for the Corporation keeps on improving, it should be reflected possibly in the preference shares of its subsidiaries.

Besco needs money for expansion purposes. If this came from outside sources it would entail a scaling down of present holdings—this would not necessarily affect the market of your stock. There seems to be no indication whatever of dividends being paid on this security. If it moves upward it is merely reflecting the better business being experienced by Besco.

A Popular Figure Passes

ONE of the best known men in Toronto, of which city he was for four terms the chief magistrate and known throughout a much wider circle in a business and financial way through his connection with the Toronto Street Railway, of which he was for a long period manager and later president, and his associations with Sir William Mackenzie in various other enterprises, Robert J. Fleming, whose death occurred this week after a short illness, was an outstanding figure in many ways. His genial nature won for him many friends and for many years he was one of the most popular men in public life.

Mr. Fleming was born in a little house on Lombard Street in Toronto in 1854. The rudiments of education he obtained in Park School, but very early in life he had to start and make a way for himself. His first position was as an office boy at $2 a week and the nature of the man is evidenced by the fact that when recalling his early days Mr. Fleming remarked that what impressed him most about that $2 was the fact that it was half a dollar more than some others were getting. The stamp of the optimist was, therefore, early upon him. Some time later he entered the wood and coal business and later turned his hand to real estate.

THE LATE R. J. FLEMING.

At the age of 32 his public career commenced, when, in 1886, he was elected alderman for St. David's Ward, which included that historic portion of the city picturesquely designated "Cabbagetown." He retained his seat on the council for three years and then devoted his time exclusively to business. The real estate boom broke in 1895 and like many others, Mr. Fleming found himself financially embarrassed. It took him years to extricate himself but his perseverance stood him in good stead and in the end he came out with a clean sheet. His escape from his liabilities, however, did not take place until some time after he was elected Mayor of Toronto in 1892, when he was 38 years old. His opponent was the late Sir Edmund B. Osler. In 1893, Mr. Fleming still retained the mayoralty but was defeated in 1894. In 1896, he was again elected mayor and the following year he repeated his success at the polls. Mr. Fleming did not complete his fourth term as mayor, resigning to become assessment commissioner. His conduct of this office was frequently assailed and two civic investigations were ordered, but they both resulted in his vindication. To Mr. Fleming's foresight while a civic official must be credited the acquisition of property east and west of the Exhibition Grounds. He obtained the Garrison common, of two hundred acres for a mere song, and his vision was justified by the subsequent expansion.

At this time Mr. Fleming was receiving $4,000 a year. In 1904, he applied to have his salary raised to $6,000, but he was refused. Soon afterwards he resigned and on December 17, of the same year, he became manager of the Toronto Street Railway at $10,000 a year. Mr. Fleming was then 50 years of age, the franchise of the company was 13 years old and had 17 years to run. Throughout those 17 years "R. J." remained at the helm, up to the time in 1921, when the railway passed into the hands of the city. The Mackenzie Light and Power interests of which Mr. Fleming was also the able administrator also passed to public control soon afterwards.

In 1922, Mr. Fleming, at the urgent request of many of Toronto's citizens, severed all connections with the railway company in order that he might be a candidate for the mayoralty again. However, he was beaten by a narrow margin, but the cause which he sponsored was upheld, the radial proposals being decisively defeated.

That was "R. J.'s" last civic fight and he retired to his farm, where his famous herd of Jerseys was one of his chief interests, along with the breeding of thoroughbred hunters, both of which captured him many blue ribbons both in Canada and the United States.

POST-Scripts

PURCHASE of the first Ford airplane by John Wanamaker's department store follows a precedent set in 1904, says the Wall Street Journal. Wanamaker bought three Fords, including the first one, set them up in his store and hired Gaston Plaintiff, then a young lad, to dust off the cars and keep them shined up for inspection. During Ford's first visit to the Wanamaker store in Philadelphia he was so impressed with Plaintiff he took him into his organization.

Wanamaker gained unusual publicity in connection with his handling of the Ford car on account of the Selden patent suits, in which Wanamaker was made a defendant. Wanamaker immediately ran full-page advertisements in the New York newspapers guaranteeing all purchasers of Ford cars against any damages arising from the infringement actions and his action went a long way toward giving Ford a start in the East.

ONE of the strangest cargoes exported from Newfoundland to Canada arrived safely in Toronto the other day. It was a shipment of stones addressed to W. A. Doner, special representative of The Financial Post, who is well-known in every town and city between St. John's, Newfoundland, and Victoria, B. C. Mr. Doner picked the stones off the shore of Conception Bay, near St. John's, Newfoundland, and had them sent to Toronto, where he intends to use them to build a fireplace in a new home he is planning. Mr. Doner was greatly taken by the symmetrical beauty of these stones, which had been washed by sea water for many years. On an idle Sunday this summer, he went out to the Bay and picked up 600 pounds of stones of harmonizing colors, all practically uniform in size. He loaded them in eight crates and had them shipped to Toronto. It was not as expensive a proceeding as it sounds, for the traffic on the boats from Newfoundland to Canada is very light and the companies are apparently glad to get shipments at low rates.

It cost only $2.40 to ship the stones from St. John's to Montreal, and less than to that to ship them from Montreal to Toronto. Quite likely the cost of the stones laid down in Toronto was less than it would have cost to pay a carter to go out in the country and dig them out of a hill-side or to take them off the shore of Lake Ontario. Of course, they have a distinctive beauty that is not to be found in the stones that would be picked up on fresh water lakes.

The incident recalls that before the war there was a company operating in Newfoundland shipping pebbles, but the war, it is understood, put an end to its activities.

Current Opinion

LOWER FREIGHT RATES

Regina Leader: The western grain grower now enjoys a much lower freight rate to the head of the lakes than his American competitor. He enjoys the lower freight rates on grain established by the Crow's Nest Pass agreement, but these rates instead of being confined to a portion of the lines of the Canadian Pacific Railway Company, now obtain on every part of the Canadian Pacific system in the West and on the Canadian National as well.

THE INDUSTRIAL RENAISSANCE

Vancouver Sun: Establishment of a chair of trade and commerce in the University of British Columbia would make the University worth a billion dollars to this community.

Business, in the past ten years, has become one of the chief factors in the social and national life of Canada. Upon the way a community's business is conducted depends the kind of culture that community will have and the kind of life that community will live.

And just as good business has increased in importance during the past decade, the importance of good business men has increased proportionately.

To-day, the chief need of the country is not better doctors, better lawyers, better engineers or better scholars, but better business men.

SHOULD PAY TAXES

Hardware and Metal: There was no need for the Hydro to enter into the retail store business at all and undoubtedly it would have been better off in some municipalities to-day had it not opened retail stores. But now that it has stores in several municipalities they should certainly pay taxation on the same basis as private interests. If they don't pay it, then someone else must pay a double share, and it eventually develops that the hardware merchant who gets keen competition from Hydro stores must pay a larger share of local taxation to support that competition — obviously a discrimination which even Hydro officials agree is unfair.

N.Y. Private Wire Service

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Personal

H. A. NICHOLSON, former cashier of the Dominion Coal Company, from 1893 to 1899, when he took over the same post with the Dominion Iron and Steel Co., holding it up to a few years ago, died suddenly at his home at Sydney, N.S. He was a native of Galt, Ont., and previous to going to Cape Breton, was the New York agent for the Bank of British North America before it became the Bank of Commerce.

D. C. WILLS, chairman of the board of the Fourth Federal Reserve bank who died at his home in Cleveland, October 22, was for six years president of the Cleveland Better Business Bureau and under his direction the protective service to investors bearing the slogan, "Before You Invest—Investigate" was developed. To-day this type of work has been adopted by Better Business Bureaus in forty-three cities and the same note of caution has been carried from the investment field to all other lines of mercantile pursuits as well. Mr. Wills was active in the work of the National Better Business Bureau of the Associated Advertising Clubs of the World, having assisted in the organization of Better Business Bureaus in many cities of the middlewest.

LIEUT. COLONEL LOBLEY, O.B.E., who has been appointed assistant to Geo. Henderson, general manager of the Brandram-Henderson Co., is well known in the paint and varnish industry, having been connected with the Holland Varnish Co. for five years, latterly as general manager. Born in England in 1888 and educated at public schools he passed his examinations with the University of Cambridge. Coming to Canada, he located at Winnipeg, and was for eight years with the Canadian Bank of Commerce there. When war broke out Mr. Lobley proceeded to England with the first Canadian division and served in England and France during the whole duration of the war. In 1917, he was appointed A.D. paymaster general for the Canadian overseas military forces, with rank of Lieut.-Colonel. After the war he returned to Canada and served for two years as special investigator for P. S. Rose & Sons, chartered accountants, before joining the Holland Varnish Co.

JAMES B. DUKE, whose death occurred recently, was intimately connected with many communities in Canada as well as in the United States. Whether amid New York's business, social or religious life, whether at Durham, or Saguenay, Newport or Somerville, Mr. Duke was certain to be found in the midst of activities and ever a local contributor, says the Wall Street Journal. A Southerner by birth he took pride in his native Durham vicinity and set up many monuments of devotion thereabouts, of which Duke University is but one. However, of late years he had leaned more and more toward life at his Somerville estate to pass leisure hours and seek rest from cares. "Duke's Park," spreading for many acres along the Raritan River, he was pleased to consider as the greatest achievement of an eventful career. He was fond of golf and played many a round at the picturesque Raritan Valley Club adjoining his estate.

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News of the Investment Market

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80

CAPITAL SEEKING INVESTMENT IN FOREIGN ISSUES

But Funds Plentiful When Actually Needed for Home Projects

Few new offerings of any volume have come along during the week in the bond market. Any major issues that were in course of preparation, and there are some, have been postponed until after the smoke of the federal election has cleared away. It is not so much that the outcome of the elections would make any material difference, but the diversion of interest at the moment makes the present an unfavorable time for such flotations.

Trading, however, has not been materially disturbed. There has been an active demand for the standard issues, and this has resulted in a firm undertone being maintained in the market. The shortage in new Canadian offerings, in fact, has diverted a large volume of capital elsewhere. The Canadian investor is looking over the current list in New York and in other United States markets, and a very considerable volume of United States securities have been bought, particularly in the corporation field.

There has also been quite a strong demand for foreign bonds, of late. Judging from the number of enquiries by The Financial Post during the past two or three weeks, with regard to French and German, and also South American, issues, there is a great deal of interest in these bonds, especially on the part of individual investors.

There is some difference of opinion on the soundness and probable effect of this "export of capital," at a time when Canadian industries seem to need capital for development. Needing capital in a general way, and needing capital to-day, in actual projects, are probably two different things. Everyone is willing to admit that Canadian natural resources should be further developed, but there is strong evidence that abundance of capital can readily be found when specific enterprises require it. When there are no large-scale developments under way, it is the most natural thing in the world for capital to seek the most remunerative and safe investment elsewhere. When these big developments that we hear so much about are actually undertaken, capital will be found in abundance, as evidenced by its present tendency to go out of its way to seek profitable investment.

Leasehold Bond Issue on 347 Bay Street Bldg.

One of the few bond issues of the week is that of the $400,000, 7 per cent., first (closed) mortgage, leasehold sinking fund gold bonds of the new office building being erected at 347 Bay Street, Toronto. The issue is being sold by Matthews and Company, and Otis and Co., of Toronto, at 100 and accrued interest, to yield 7 per cent.

The new building, which will be 12 stories in height, will occupy approximately 6,232 square feet of land. This land has been leased for 21 years for a flat rental of $8,672 a year, without revaluation throughout the term, which extends approximately 5 years beyond the life of the bond issue. The value of the leasehold estate in the above property upon completion of the building has been estimated at $729,700, of which this issue is less than 55 per cent. Proceeds of the bond issue will be used for the completion of the building, to be paid out from time to time as required. The balance will be supplied in cash by the owners.

According to estimates based on prospective rentals, the annual net earnings of the building available for bond interest have been estimated at approximately $95,000, or more than 3 1-3 times maximum annual bond interest requirements. This is based on a figure of $2 a square foot for office space and $5 for store space as against prevailing figures of approximately $2.25 and $7.

The control and management of the building is the same as that of the Federal Building, Richmond St., Toronto, which building has already redeemed its bond interest on the issue made in 1922, and is 100 per cent. rented. The new building will be called the 347 Bay Street Building. The directors are J. P. Tisdall, Toronto, Chas. P. Tisdall, Toronto, J. G. Gosling, Cleveland, Hon. Robert J. Bulkley, Cleveland, and Hertzel Rotenberg, of Toronto.

LAVAL-SUR-LE-LAC BONDS

The firm of L. G. Beaubien and Cie. has purchased the $75,000, 5 per cent. serial bond issue of the town of Laval-sur-le-Lac.

West's Farm Organizations May Add Mills and Bakeries

Are the wheat farmers of the West going into the flour milling and baking industries? That they contemplate such action as a means of taking a greater advantage of the profits of their own products is rumored. It is said that they are planning to reach the consumers directly through their wheat pools, and are considering the erection of flour mills on the Pacific Coast and elsewhere.

The recent merger of Western Canadian bakeries is said to have acted as an incentive to the farm organizations. It is now the practice of certain grain organizations not only to mill a portion of their product, but to ensure business for their mills by owning or controlling baking organizations and thus guaranteeing disposal of the products of their mills. Some of the existing milling organizations own their own bakeries.

It has been rumored that the farmers are of the opinion that a mill in the West and probably one in the East would widen the market for their product as well as enabling their organizations to participate in the profits now enjoyed by the millers. They would operate both in the domestic and in the foreign market, and, it is felt, would be able to gain a percentage of the milling of Canadian wheat now done in the States.

GOOD POTATO CROP

SAINT JOHN, — Potato exports through this port, largely to Havana, have been considerably greater than during the corresponding season of last year.

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IMPORTING SECURITIES

There has been a firm undertone to the bond market during the past week, says the weekly letter of McLeod, Young, Weir & Co. The Canadian demand remains keener than the New York demand for Canadian bonds. The scarcity of offerings in Canada has resulted in the importation of a considerable volume of investment securities from New York during the past few months. Foreign government bonds are now largely held in Canada, alike by financial institutions and by private investors, and of late there has been a keen Canadian investment demand for United States corporation securities.

UNLISTED BONDS

Bonds	Due	%	Sept. High	Low	Latest Quot. Bid	Asked
Abitibi Power	1940	6	101	..	100½	101½
Abitibi Power	1931	8	..	..	105½	..
Alabama T.L.	1962	5	..	..	100	101
Algoma Steel	1962	5	..	..	29½	30½
Ames Holden	1947	6	..	..	..	..
Belding Paul	1936	5	..	..	85	..
Belgo Can. Pap.	1943	6	101½	100½	100½	101½
Bell Telephone	1955	5	99½	99½	99	99½
Brompton P.	1941	8	108	..	108	110
Brompton P.	1939	6	97½	..	99	100
Burns Co. P.	1943	6½	..	..	102½	103½
Brand. Hend	1939	6	..	..	90	..
Can. Steamship	1942	7	100½	100	100½	101
Can. Steamship	1943	5	80½	79½	82	82½
Can. Light & P.	1949	5	..	..	..	..
Chicoutimi Pulp	1943	6	..	..	..	..
C.N.R.	1954	5	101½	101½	100½	101½
C.N.R. Inc.	1930	5	..	..	58	60
Can. Steel Foun.	1936	6	..	..	100	..
C.P.R.	1934	5	99½	99½	99½	100
C.P.R.	1944	4½	93½	93½	92½	93
Com. Cable Co.	2397	4	..	..	..	..
Connors Bros.	1938	6½	..	..	..	..
Cons. Glass Co.	1935	6	..	..	87	..
Cumberland Ry.	1940	5	..	..	..	..
Davies, W.&Co.	1942	6	..	..	88½	..
Dom. Iron & St.	1939	5	..	..	60	61
Dom. Pow. & T.	1932	5	..	..	..	..
Dom. Textile	1949	6	..	..	105½	..
Duke Price Pow.	1949	6	101½	..	101½	101½
East Koot. Pow	1942	7	101½	..	101½	..
Elec. Develop.	1933	5	..	..	99½	100½
Fraser	1950	6	95½	95	..	..
Frontenac Brew.	1951	6	..	..	94	..
H. Smith Paper	1941	7	97	96½	96½	97½
H. Smith Paper	1924	6	98½	..	..	..
Jam. Pub. Ser.	1943	6	..	..	102	103
Lake Sup. Paper	1941	6	..	..	105½	..
Laurentide Pow.	1946	5	100½	..	99½	100½
Laurentide Pow.	1946	5½	101½	..	101½	..
Laurentian Pow	1936	6	..	..	99½	..
Maple Leaf Mill	1943	6½	..	..	104	..
Mont. Light, H.	1933	5	..	..	..	..
Manitoba Pow.	1941	7	104½	..	104½	105
Matt'gmi P.deb	1949	7	..	..	33	..
Mexico Tram.	1963	5	64	..	..	..
Montreal Trams	1955	5	93½	92½	93½	94
Mont. Trams Sc	— —	—	9.50	9.00	9.50	..
Montreal Steel	1940	6	..	..	100	..
Montreal Water	1932	5	91½	..	91½	..
Montreal Water	1932	4½	..	..	96½	..
Mont. Pub. Ser.	1942	5	..	..	95½	96½
Nat. Cement	1938	7	98	..	..	..
North. Ont. L.	1931	6	..	..	98½	99
Nova Scotia St.	Deb.	6	48	..	..	..
N.S. Tram & P.	1946	5	..	..	85½	..
N.S. Tram	1952	7	..	..	89½	..
Ontario Pulp	1931	6	..	..	107	..
Ottawa Gas Co.	1939	6	..	..	103	..
Ottawa & Hull	1946	6	..	..	102	..
Ottawa L. H.	1953	6	..	..	102	..
Ottawa Mont. P.	1949	6½	..	..	101½	103
Ottawa River P.	1953	6½	101½	..	102	103½
Ottawa Traction	1955	5½	..	..	..	..
Price Bros.	1943	6	100½	99½	100	103½
Paton Mfg. Co.	1953	6	..	..	..	100
Prov. Paper	1940	6	..	..	..	..
Porto Rico Ry.	1962	5	..	..	76	..
Prov. of Ontario	1948	5	101½	..	100½	101½
Prov. of Quebec	1950	4½	..	..	..	..
Quebec Power	1953	6	103½	103	102½	103½
Que.Jac. Cartier	1931	5	..	..	94	..
Sag. P. & P.	1930	6½	..	..	..	..
Shawinigan Cot.	1949	6	..	..	..	75
Shawinigan W.	1934	5	..	..	101½	..
Shawinigan W.	1950	5½	..	..	..	..
Shawinigan W.	1950	6	..	..	..	..
Sherbrooke Ry.	1940	5	..	..	77½	..
South. Can. P.	1948	6	..	..	..	..
Span.Riv.P.&P.	1941	8	107½	..	107½	..
St.Law.Flour M.	1941	6	..	..	..	..
St. Law. Paper	1944	6½	..	..	..	..
St. Law. Sugar	1932	6	..	..	91½	..
St. M. Val. Cot.	1952	5	..	..	79½	..
St. Maur. Pow.	1953	6½	108½	108½	108½	..
Stand. Clay Pro.	1942	6	..	..	88	..
Wabasso Cot.	1942	7	..	..	..	..
Wamsley, Chas.	1943	6	..	..	95½	96½
Windsor Hotel	1943	6½	105	104½	104	..
West Koot. Pow	1943	6	103½	..	103½	..
Western Power	1949	5	..	..	94½	..
Western Power	1926	7	..	..	89	..
Winnipeg Elec.	1954	6	..	..	95½	96½

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INTERESTING BOND ISSUES

Wm. Davies Sixes of 1942 Have Yield of 6.60%

Holders of the bonds of the Wm. Davies Company have followed with satisfaction the gradual improvement of the business of the company during the past year and a half. Prior to that time, and in fact, during entire post-war period, this along with other packing houses suffered severely from the depression in the European markets as well as from strenuous competition from certain European countries such as the Netherlands. The buying power of Europe was low, and the competition caused a violent fluctuation in prices. Lower production costs in Europe enabled those countries to undersell the Canadian producer, and altogether, the situation worked out very badly for the latter. As a consequence, the price of the bonds suffered material decline, a low of 65 being reached.

Even in 1923 the outlook had not materially improved. During that year the operations of the company resulted in a loss of $21,917, before making depreciation provisions, although a substantial profit was made in 1922. The difficulty at this time arose mainly out of the fall in sterling exchange, and the generally unsatisfactory conditions in Great Britain.

Sees Better Conditions

With the beginning of 1924 the situation took a turn for the better, although the first three months were disappointing. With the gradual mend in the European outlook and buying power, and with the protracted recovery of the pound sterling, the business received from Europe expanded rapidly. During 1924, the company earned a net profit of $210,290. Gross profits for the year, after deducting necessary production costs, including interest on bank loans, but not allowing for depreciation, amounted to $687,677. The net profits of the year added to surplus brought the credit balance in that account to $3,292,399. At the end of the year the balance sheet showed liquid assets of $5,632,704 and current liabilities of $3,402,883, leaving net working capital of $2,229,921. At the end of the previous year, net working capital amounted to only $1,909,707. The early months of 1925 showed a continuation of the favorable conditions of 1924.

Packing Not Generally Profitable

What has been said must not be interpreted as meaning that the packing industry is making enormous profits. On the other hand, the margin of profit is small. Large profits were made during the war, owing to the large turnover, but the margin was small. It was the surplus set aside from these years that enabled many of the firms to carry on at all, during the depressed period. Of late, the Canadian bacon and other products have been regaining the prestige which they had built up in the British market prior to and during the war. The Canadian hog situation is more favorable than that in the United States. Abnormally high corn prices in the Central States has discouraged hog production on account of the narrow margin of profits. Hog production in the States fell 19 per cent. in 1924 over 1923, and the decline continued into the present year. All this is important to the Canadian hog industry and to the packing industry as well.

Taking all these factors into account, the 6 per cent. bonds of the William Davies Co., due 1942, are regarded as an attractive investment. At the present price of around 91, which is a yield of approximately 6.60 per cent., the prospects are good. For every $1,000 bond outstanding, there is a total of $4,000 assets, of which $1,000 is in the form of net quick assets. The annual interest charges on the bonds presently outstanding amount to $141,000. Earnings for the year ending December last were $405,000, after depreciation allowance. The market value of securities, junior to the $2,350,000 outstanding 6 per cent. bonds, is in excess of $3,000,000. The present series is a first mortgage sinking fund, twenty year issue.

BOND MOVEMENTS OF THE WEEK
WEEK ENDING OCTOBER 27

Bonds	Int. Rate	Due Year	Yield	Range 1924 High	Range 1924 Low	Range 1925 High	Range 1925 Low	Ask	Latest Price Bid	Latest Price High	Low
Asbestos	5	1942	5.84	83	73	99	80½	—	91	91	—
Can. Canners	6	1950	6.66	..	..	91	90	93	92	92	91½
Can. Locomotive	6	1951	6.16	96½	96	98½	98	—	98	98	—
Dom. Iron	5	1929	8.28	89½	86	94	86	90	89	89	88½
Kaministiquia	5	1937	4.51	—	—	104½	104½	104½	—	104½	—
Montreal Tram.	5	1941	5.28	85½	91	98½	93	97½	97	97	—
Ogilvie (A)	6	1932	5.39	104½	101½	105½	103½	—	105½	103½	—
Quebec Rly.	5	1939	5.65	91	80	98	89½	94	—	93½	—
Rio de Janeiro	5	1935	5.93	87	84	95½	82	—	92	93	90
Wabasso	6	1947	6.12	95½	90½	98½	92	—	98½	98½	—
Wayagamack	6	1951	6.85	86	76	98½	84½	89½	—	89½	—
Winnipeg Elec.	5	1935	5.73	91½	85½	95½	92½	96½	95½	94½	—
War Loan	5	1925	5.00	100.95	100.15	101.15	99.70	100.05	99.95	99.95	99.85
Do.	5	1931	4.55	102.45	100.60	102.65	101.00	102.40	102.30	102.40	102.30
Do.	5	1937	4.51	103.85	102.60	104.95	104.95	104.45	104.35	—	—
Victory Loan	5½	1927	4.30	103.05	102.05	103.15	102.05	102.45	102.35	102.45	102.10
Do.	5½	1933	4.62	106.70	104.15	107.00	105.40	105.75	105.65	105.90	105.60
Do.	5½	1934	4.98	104.70	102.85	104.80	103.20	103.70	103.55	103.75	103.40
Do.	5½	1937	4.54	108.90	106.15	110.00	108.35	108.80	108.70	108.60	—
Do. Refund	5	1928	4.80	100.85	99.50	101.45	100.15	100.50	100.40	100.35	—
Do. "	4½	1940	4.75	—	—	97.25	96.85	—	—	97.25	96.50
Do. "	5	1943	4.85	102.85	99.00	102.90	101.15	101.80	101.90	101.90	101.65
Do. "	4½	1944	4.80	97.15	97.00	97.75	96.20	96.50	96.20	96.25	96.20
Do. Renewal	5½	1927	4.60	102.70	101.10	102.95	101.10	101.55	101.40	101.60	101.30
Do. "	5½	1932	4.95	103.90	102.10	104.20	102.85	103.30	103.15	103.05	103.00

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Municipal and Provincial Finance

EARMARK WORKMEN'S COMPENSATION FUNDS

Trust Fund Should be Safely Invested Rather Than Part of General Assets

Discussion which has arisen in Nova Scotia with regard to the investment of funds in the hands of the Workmen's Compensation Board, lends interest to the question of how these monies should be handled. The occasion of the discussion was the interim report on finance made recently to the provincial government.

The funds held and invested by the Compensation Board are raised by an assessment upon employers of labor within the various provinces. They are held more or less in trust for a specific purpose. They usually, in fact, have always been earmarked for the general purpose of reimbursing those who suffered through industrial accidents of various kinds. In most of the provinces practically all hazardous industries are now included so that the money paid in by employers is very considerable in volume.

That these funds should be invested in relatively conservative securities is more or less understood. Legislation in most countries makes provision that trust funds be invested in sound and not speculative securities or enterprises. There need thus be little worry over the fact that the revenue from any such fund is small. The fund is one with which speculation should not be allowed, and the income is naturally smaller than the probable revenue from the surplus of a wealthy individual, for example.

What is intended in the case of the fund in question is an ever-available surplus of earnings of industry, to provide for emergencies which may make a heavy drain upon the fund at any time. It is thus evident that such funds would not function in the manner intended should they be merged with the general revenue of any province.

Quebec the Progressive Province, Says Burton

Canadian citizenship will be unsafe unless the young men of the country are encouraged to take a genuine interests in politics, according to C. L. Burton, vice-president and general manager of the Robert Simpson Company, in addressing the Optimists' Club at Toronto. Mr. Burton believes that one of the dangers in old Ontario at the present time is the tendency of youth toward soft, white-collared jobs, to the neglect of the wiser activities of hardy pioneer life. Northern Ontario, with its mineral, agricultural and pulpwood resources, can hardly be surpassed in riches and opportunity anywhere in the world; it should constitute a challenge to every clear-visioned young man, he said.

Quebec was a more progressive province to-day than any other, said Mr. Burton. The French-Canadian population was the original Canadian stock; their young men were better trained for public life than their Anglo-Saxon compatriots; they were bilingual.

"There has been a steady tendency during the past few years to run to the government for this, and expect from the government that. Let us rather depend upon our own initiative and enterprise," said Mr. Burton.

Tenders and By-laws

TENDERS CALLED

October 31, Corporation of St. Joseph de Coleraine, P.Q.—$27,000, 5½ per cent. serial bonds. E. Parent, sec.-treas.

November 2, Village of St. Anne, P.Q. —$22,500, 5½ per cent. bonds. D. J. Brassard, sec.-treas.

November 2, Town of St. Joseph d'Alma, P.Q.—$163,000, 5 per cent. serial bonds and $27,000, 5 per cent. serial bonds. J. E. Cote, sec.-treas.

November 3, Municipality of St. Henri de Taillon, Lake St. John, P Q.—$50,000, 5½ per cent. serial bonds. U. Gosselin, sec.-treas.

November 2, Municipality of St. Jacques le Majeur de Causapscal, P.Q.—$35,000, 5 per cent. serial bonds. A. Levesque, sec.-treas.

November 2, Scarborough Township —$170,394, 5, 10, and 20-instalment 5 per cent. debentures. J. T. Stewart, treas., Birch Cliff.

November 5, Burlington—$21,292, 5½ per cent., 10, 15 and 30-instalment debentures. L. Sykes, treas.

November 6, Campbellton—$54,500, 5 per cent., 20-year school debentures. Donald McLean, sec., school board.

November 2, Milton—$13,500, 5½ per cent., 20-instalment debentures. G. A. Hemstreet, treas.

November 12, Town of La Tuque, P.Q.—$244,400, 5½ per cent. serial debentures. P. E. Riberdy, sec.-treas.

SASKATCHEWAN

Authorizations Granted by the Local Government Board From Oct. 10 to Oct. 17, 1925

Violette S.D. No. 1819, $720; Hodgeville R.T. Co., $16,600; Village of Vidora, $2,000.

Debentures Reported Sold

Tulip S.D. No. 4629, $3,300, 15 years, 6¼ per cent., Moorhouse & Co., Regina; Luxor No. 4619, $9,000, 15 years, 6½ per cent., Regina Brokerage & Inv. Co.; Greenbush, No. 1-28, $2,700, 10 years, 6 per cent., Regina Brokerage & Inv. Co.; Esterhazy, No. 804, $2,000, 10 years, 6 per cent., W. H. Blyth, Esterhazy, Sask.; Shackleton, No. 124, $5,000, 15 years, 6 per cent., Regina Brokerage & Inv. Co.; Mintern, No. 772, $3,000, 15 years, 6 per cent., Regina Brokerage & Inv. Co.; Lone Pine, No. 4598, $1,850, 15 years, 6⅛ per cent., Regina Brokerage & Inv. Co.; Birsay Village, $900, 10 years, 7 per cent., C. C. Cross & Co., Regina; Eatonia Union Hospital, $12,000, 5 years, 6 per cent., Regina Brokerage & Inv. Co.

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FEVERISH OIL HUNT IN SOUTH ALBERTA

Season's Work Did Not Produce Any Remarkable Results to Date

While feverish drilling for oil is going on in many parts of Southern Alberta, the seasons effort has not been attended by any remarkable results. Big interest centres around the Turner Valley field where Imperial Oil's Royalite 4 is producing around 600 barrels of gasoline, extracted from gas, daily. The company is sinking two more wells, Royalite 5 and 6. It will take some months to complete them. No. 5 is down 2,152 ft. and No. 6, 1,466-ft.

A show of gas and a trace of oil were encountered in No. 6 well at a depth of 1,330 feet. Drilling operations will be continued throughout the winter and unless unforeseen obstacles arise the wells will be completed before the spring.

In the other fields, the season's work has not been attended with any remarkable development. In the Rice Creek field a well has been drilled to a depth of 2,300 ft. Dead Horse Coulee No. 2 has been drilled to a depth of 2,489 ft., according to latest reports. A showing of heavy black oil was encountered at 2,486 feet. In the Coldspur field a well has been drilled to a depth of 3,985 ft. with a six-inch casing. The casing is now being pulled in order to get the drilling tools.

Discovery of well No. 2 on the MacKenzie river in the vicinity of Fort Norman has been drilled to a depth of 1,602 feet, according to the latest report. A flow of oil was encountered at 1,063 feet in shale formation and the production of 140 barrels a day was encountered. Results of Mackenzie have not been sufficiently encouraging to warrant much further expenditure, judging by results reported to-day. Interest in connection with the Western Canada Oil exploration campaign centres in the Black Diamond field and it seems that important developments there cannot be delayed long.

THE P. E. I. FOX INDUSTRY

SUMMERSIDE. — One of the largest consignments of live foxes exported from Prince Edward Island, was recently made to New York for trans-shipment to Norway, consisting of 200 foxes with a gross value of $40,000.

[redacted]

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PUBLIC SHOULD SETTLE DEFICIT ON YORK RADIALS

Municipal Research Body Urges Toronto Liable to Ontario H.E.P.C.

Relative to the capitalization of the deficits on the York Radials, Toronto, the Bureau of Municipal Research has sent the following open letter to the mayor and members of the Board of Control, and the City Council of Toronto:

Apparently the policy of sidestepping the payment of the radial deficits demanded by the Hydro Electric Power Commission of Ontario is being advocated in some quarters.

The chief arguments seem to be two in number:

1. The communities through which the radials run and which they serve should pay the deficits or a substantial portion of them.

2. The radials later on will produce surpluses which will offset the present deficit which should, therefore, be carried in a suspense account until wiped out.

The obvious answer to the first is that the municipalities served should pay, but that the best time to have provided for joint liability for deficits was before the city took over the radials. The city is now legally liable for the deficits with 6 per cent. interest on all arrears. It purchased the lines outright and assumed full liability. The Hydro Electric Power Commission of Ontario holds city bonds as underlying security for Hydro bonds issued in the purchase of the radials, and may sell a sufficient amount to recoup them for deficits incurred in operating the lines for the city. The "Clean-up Deal" must be kept cleaned up.

Until it has secured remission of the present liability in whole or in part, economy demands that the city pay out of taxes all radial deficits just as it has so paid all deficits on the City Abattoir and the City Housing Commission and just as it will ultimately have to shoulder the harbor deficits. Any other policy would be wasteful and improvident. The policy of piling up of deficits is always vicious, even if it enables the city to show a lower tax rate for a few years. Failing the assumption of the deficits by the municipalities served, or a reversal in the "form" of the radials themselves, putting off the evil day cannot benefit the majority of tax payers now living, as they will later have to pay off the deficits with interest.

Competition Increases

With regard to the second argument it would be a hardy man who would claim that, unless conditions are radically changed, the radials can never earn surpluses. The fact that the Hydro Electric Power Commission of Ontario has already recommended the abandonment of a branch line of the radials may or may not be a sign of the times. The competition of trucks and buses is apt to grow rather than lessen. Many authorities believe that the days of the radial are numbered. The spectacle of a great city in the role of Micawber, always looking for something to turn up, would not be edifying. If something did turn up, there is no good reason why the city should not be refunded for any deficits she had paid. The best way is to "pay as you go" and "collect as you earn."

An attempt has been made to defend the postponing of the paying of deficits on the York radials by the claim that the former civic car lines were operated at a deficit for years and that now there are no such deficits. In the first place, the deficits on the civic car lines were paid by the taxpayers annually for years and were not placed in a suspense account. In the second place, the reason there are no deficits is because the civic car lines as such no longer exist, but have been incorporated with the property managed by the Toronto Transportation Commission. In the third place, the deficits on the civic car lines were due to the action of the city council in fixing fares below cost against the advice of responsible civic officials and were in the nature of a subsidy to the users of these cars at the expense of the taxpayers. The cases are not at all parallel. If the deficits had been capitalized it would have added just so much to the debt of the T. T. C. lines and, therefore, to their cost of operation and probably to the rate of fares charged. No doubt, if these lines were still separate they would still be operated at a deficit which would still be paid by the taxpayers. The bureau protested for years against the operation of these lines at a deficit at the expense of the taxpayers, and for the benefit in many instances of people living outside the city limits and not subject to city taxation. The deficits on these lines from 1916 to 1921, according to the annual reports of the commission of Finance, were as follows:

1916	$118,943
1917	142.787
1918	126,613
1919	146,220
1920	217,627
1921	255,351

Total in six years $1,007,543.

It will be seen that there was little tendency for the deficits to decrease.

While the position of the bureau with regard to the amount of the annual charges of the water works to civic departments is well known, it may be pointed out that the accounts of the city of Toronto have shown surpluses on its water works for years and that these have been applied yearly to the reduction of taxation.

Water Works Surpluses

The water works surpluses, reported by the commissioner of finance, for the last four years are as follows:

1925 (est)	$703,116
1924	581,047
1923	634,315
1922	553,549
Total	$2,472,027

If it is permissible to apply surpluses on trading enterprises to the reduction of taxation, it is only a matter of common probity to pay deficits thereon out of tax funds. The fact that one operation reduces tax rate and the other increases the tax rate has no bearing on the proper method which should be taken to care for deficits, although in the minds of many it has a bearing on the civic elections. One cannot consistently eat his cake and refuse to swallow his castor oil.

The spendthrift policy of postponing the payment of current obligations, whether in Toronto or elsewhere, whether they be deficits on general civic operations or on civic trading enterprises and whether in national, provincial or municipal affairs, can lead to one and only—the eating up of the substance of the community and its members.

It might well be that the swallowing of this particular deficit dose might contribute to a more earnest examination on the part of the patient public of the policies offered to them for their consideration in the future.

SETTLING NORTHERN QUEBEC

QUEBEC.—With the occupying of lots in the Abitibi, Temiscamingue, Matapedia Valley, and lower St. Lawrence regions by several hundred settlers during the summer months, the northern section of the province bids fair to become thickly populated in the near future.

DOMINION OF CANADA

4½% Bonds

Dated Sept. 1st, 1925.
Due Sept. 1st, 1940.

PRICE: 97.25 and Accrued Interest, yielding over 4.75 per cent.

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Quebec Municipals and Industrials a Specialty

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"Permit me to express my feelings of gratitude towards your firm, in starting me on a safe way of investing what little cash I had to spare, some 2½ years ago."

The above is an extract from a letter received from one of our satisfied clients. May we also be of service to you?

Send for our list.

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ESTABLISHED 1910

CREDIT - CANADA

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MAIN 4735

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United Securities 6% Preferred Shares.
C.P.R. 4½'s 1944
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Montreal Tramways 5's 1955
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Incorporated

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E185

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Has the recent advance in the price of the shares fully discounted the company's possibilities? Our review contains an interesting story of the company's past record and probable future.

Ask for Brazilian Bulletin.

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(MEMBERS MONTREAL STOCK EXCHANGE)

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Quebec Southern Power Corporation 6½%

First Mortgage and Collateral Trust Sinking Fund Gold Bonds

Due May 1st, 1945

THE safety, marketability and attractive yield of securities based on the development of Canada's water power resources are so widely recognized that institutions, and other investors whose funds must be safely employed, include a goodly proportion of such securities in their investment lists.

THE bonds of the Quebec Southern Power Corporation offer these advantages and, in addition, a bonus of Common Stock which should quickly acquire considerable value.

Circular, map and full particulars upon request.

Price: 100 and interest, to yield 6½%

Bonus of two shares Common Stock with each $1,000 of bonds.

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Merchandising Shares

A tabular presentation of the principal characteristics of leading merchandising companies appears in the current issue of our Fortnightly Review. A copy will be mailed on request.

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WEEKLY RECORD OF CANADIAN FINANCING

Bond Sales— Place	Date	MUNICIPAL —Sold To—	Rate	Maturity	Amount	Price	Yield
Sandwich	Oct.	Wood, Gundy & Co.	5½%	10 & 15-yr.	$141,855	100.55	5.40
Laval-sur-le-Lac	Oct.	L. G. Beaubien & Co.	5%	....	75,000	....	...
Saskatchewan Schools, etc.	Oct.	Various	....	....	89,750	....	...
		Corporation					
Bay Street Building	Oct.	Matthews & Co.	7%	1940	$400,000	100.00	7%

Insurance for Buyer and Seller

FIRE INSURANCE IS TOLD TO PUT HOUSE IN ORDER

Ontario Superintendent Discusses Farmers' Mutual System

Further warning to insurance companies, in the fire and casualty field, to get down their selling costs, is served by Leighton Foster, superintendent of insurance for Ontario. In his annual report, just issued, he says:

"The broad question of acquisition cost as represented largely by agents' commissions in all fields of fire casualty insurance was discussed at some length in my address at Winnipeg, in September. The situation therein disclosed presents problems which I wish to draw to your attention. More than seven years ago the Hon. Mr. Justice Masten, special insurance commissioner, recommended 'consideration by the legislature of the desirability of limiting commissions by statute.' The recommendation of the honorable commissioner was considered but not implemented by legislation. In the intervening years the situation has gone from bad to worse.

"There is no doubt that the responsible officers of the companies are fully seized of the existence of the problem and the necessity of its solution, but it would appear that they are impotent to take voluntary effective action of themselves. I have yet to learn of an insurance man or of any of the insurance press denying that the cost of putting business on the books of the company is excessive; it is only as to the remedy that opinions differ. No one, cognizant of the problems which the regulation and control of insurance rates, and particularly acquisition costs, present, can view the interference of the state in the rate field of the insurance business with anything but something akin to apprehension.

"Nevertheless, I am of opinion that the situation is one demanding action, and that, if the companies do not, in the very near future, furnish some earnest of their willingness and ability to solve the problem of themselves, the enactment of legislation must be carefully considered if the public interest is to be protected. Forty-six years of supervision of the insurance business by the government in this province has left an indelible mark upon the public mind and imposed a responsibility upon this department of the government which cannot be lightly discharged. Not only is the individual policyholder not in a position to adequately protect his own interests when confronted with the immensity and resources of most of our present-day insurance companies, but it would appear that he has come to expect that his interests have been, and will be, adequately protected by intelligent supervision and control by the state."

Mr. Foster also discusses his recent orders to two automobile insurance companies, requiring them to eliminate all discrimination from their rates. He states:

"The reaction of the automobile insurance business to the making of these exemplary orders will be closely watched by the department and, if my hope that the companies generally will voluntarily take action to put their 'house in order' is not realized, drastic and far-reaching action by the department may be anticipated and the necessity of further legislation at the ensuing session carefully considered. The act expressly prohibits unfair discrimination between risks of essentially the same physical hazard in the same territorial classification. So long as that provision remains part of the insurance law of the province, no effort should be spared to see that it is properly enforced."

Changes in the position of seventy-four farmers' mutual insurance companies in the province as the result of recent changes in provincial law are reviewed. Mr. Foster's report says:

"When the insurance laws were revised in 1924, radical amendments were made to those provisions of the law governing the underwriting practices of our mutual fire insurance corporations, commonly referred to as 'farmers' mutuals.' There are presently carrying on business within Ontario seventy-one farmers' mutual fire insurance companies and three farmers' mutuals weather insurance companies. In addition, there are the four well-known cash-mutual fire insurance corporations which still continue to do a small percentage of their business upon the purely mutual plan. These companies carry the bulk of the insurance upon agricultural property in the province and their unbroken record of success over a period of more than forty years is the finest tribute which can be paid to their stability and capacity for public service. In recent years, however, the character of agricultural property and the nature of the hazard involved has undergone such far-reaching changes that a complete reorganization of the business methods and underwriting practices of these companies become necessary.

"The remarkable increase of the percentage of loses to net amount at risk and the marked increase of the percentage of losses to cash premium income during the past five years is evidence of the new problems facing mutual fire insurance companies to which I refer. In the year 1922, the losses actually exceeded the cash premium income of the companies.

"Prior to the current year some twenty of these companies were operating on the purely assessment system and the balance were charging a small cash payment in advance at the time the application was received. Speaking generally, however, it was apparent that the assessment-plan companies could not safely be permitted to continue on a purely assessment system and that in many cases the cash payment secured by the other companies was hopelessly inadequate. Accordingly, during the years 1922 and 1923 the department, in collaboration with the companies, worked out the basis of new legislation which would facilitate the change of business practice necessary to meet the new conditions and enforce the collection of adequate minimum cash payment rates. The new legislation came into force on January 1, 1925, and it is interesting to report at this time, in broad outline, the result of the inspection of these companies during the present year.

Rates Were Increased

"All companies without exception have swung into line and are bending every effort to comply with the new legislation. In the case of the purely assessment companies it has meant a veritable revolution of their business methods; in all cases it has meant new policy forms, new methods of bookkeeping, new underwriting practices and grappling with the problems of compulsory reinsurance. The officers of these mutual companies should be highly complimented for the manner in which they have cooperated with the department in the interests of sound mutual insurance.

"Practically every company has substantially increased its rates, some as much as fifty per cent. It may be safely said that there has been an average increase in cash payment rates of twenty-five per cent. Moreover, it is apparent that the companies have taken seriously the warning issued by the department that the minimum cash payment rate for agricultural property of eighty cents for three years for every hundred dollars of insurance, fixed by the statute, is not necessarily to be regarded as adequate, and that each company must use its own judgment as to the extent to which such minimum rates should be increased. Accordingly, many companies have fixed minimum rates in excess of the minimum required by the act.

"I am confident that the end of the present year will see a very substantial increase in the cash premium income of all the companies and that it is not too much to hope that, if sane underwriting practices prevail, the time is not far distant when many companies will have an adequate surplus, making possible a reduction of rates, as contemplated by the statute, below the minimum now required."

Weekly Record of Fire Losses in Canada

Place — Property	Date	Loss	Insurance	Cause
NOVA SCOTIA				
Nr. Sydney—J. Christie, res.	Oct. 18	$2,000	Covered	......
NEW BRUNSWICK				
St. John—City Hall	Oct. 14	$50,000	......	Unknown
St. Stephen—C. Buckley, res. and barn	Oct. 14	Considerable	......	......
Mill Cove—J. W. Eastwood, two barns and contents	Oct. 14	Total	......	......
Humphrey's Mills—J. Chase, res.	Oct. 18	$1,500	Partial	Def. flue
Hopewell Hill—J. W. Newcombe, barn and contents	Oct. 19	Total	None	Unknown
St. John—F. W. Daley, res.	Oct. 16	Considerable	......	Unknown
St. John—N. B. Power Co., barns	Oct. 21	$500	......	......
QUEBEC				
Montreal—Victoria Mills Cotton Imp. bldg.	Oct. 16	Considerable	......	Unknown
St. Johns—J. E. Melancon, shop	Oct. 20	$600	......	......
Cook's Corners—D. Trudeau, barn	Oct. 8	$3,000	Partial	Lantern
Montreal—P. Debensky, stable & animals	Oct. 18	Total	......	......
Gentilly—R. Baril, res. and garage	Oct. 19	Heavy	Partial	......
Montreal—Victoria Cotton Mills	Oct. 16	Considerable	......	Unknown
ONTARIO				
Morrisburg—R. H. Ashton & Co., cold storage plant, barns and res.	Oct. 15	Heavy	Partial	......
Carp—W. J. Armstrong, farm bldgs.	Oct. 13	Total	Partial	Unknown
Chatham—H. O'Brien, barn and contents	Oct. 15	Total	......	......
Bradford—W. Carr, res.	Oct. 10	Considerable	None	Spark
Waterford—Barn and shed	Oct. 12	Total	......	Unknown
Tecumseh—R. Pitre, res.	Oct. 9	$1,200	......	......
Avon—J. E. Clement, barn	Oct. 14	Total	Partial	Spon. com.
Mindemoya—A. J. Wagg, store	Oct. 8	$15,000	Partial	......
Long Branch—W. Webb, house	Oct. 15	$1,000	......	Unknown
Greenbush—W. S. Hanna, saw-mill	Oct. 8	$6,000	Partial	......
Owen Sound—R. Brawn, res.	Oct. 12	Total	......	......
Owen Sound—C. Spence, barn & contents	Oct. 12	Total	......	Spon. com.
Bognor—J. McArthur, barn and stable	Oct. 14	Total	......	Unknown
York Mills—School	Oct. 19	$12,000	......	Unknown
Toronto—Classic Upholstering Co. bldg.	Oct. 24	$11,000	......	Unknown
Kitchener—W. Tinney, res.	Oct. 19	Total	......	Unknown
Shelburne—S. Phoenix and L. Penelton, barn and crop	Oct. 21	Total	Partial	Unknown
Alliston—C. Haysted, barn and crop	Oct. 19	Total	Partial	Spon. com.
Tecumseh—R. Latimer, barn and contents	Oct. 15	Total	......	......
Toronto—Beverley St. garage, cars	Oct. 23	Considerable	......	......
Welland—G. Yatsko, res.	Oct. 17	$1,200	$1,000	Unknown
Newbury—W. June, barn and contents	Oct. 19	Total	Partial	Unknown
Collingwood—J. Ayres, res.	Oct. 18	Total	......	Unknown
Glencoe—J. Carmichael, barn and contents	Oct. 18	Heavy	Partial	Unknown
Morton—H. McFadden, out-buildings	Oct. 17	Total	......	Sparks
Elmira—D. McDermid, barn and crop	Oct. 20	Total	Partial	......
Elmira—P. McLellan, barn and crop	Oct. 19	Total	Partial	......
Paisley—R. McGregor, barn and crop	Oct. 14	$7,000	$2,500	Spon. com.
Sault Ste. Marie—Johnston Bros., shop	Oct. 18	$5,000	$4,000	Unknown
P. E. Young, bldg.	Oct. 18	$1,000	Covered	Unknown
M. J. Sullivan, bldg.	Oct. 18	Considerable	Covered	Unknown
Markham—Capt. R. Reesor, barns and crop	Oct. 20	$10,000	$7,000	Unknown
Toronto—W. Harrigan, res.	Oct. 21	$500	......	Unknown
Toronto—C. G. Keary, mill	Oct. 21	$2,500	......	Spark
Maidstone—W. Greaves, res.	Oct. 18	Total	Small	Unknown
Eugenia—J. Hawkins and C. Boyce, barn & crop	Oct. 18	Total	Partial	......
Napanee—J. Mack, barn	Oct. 20	Total	......	......
Petrolia—I. Durocher and J. Canton, storehouses	Oct. 18	Considerable	......	Unknown
Gooderham—W. Duval, barn and res.	Oct. 15	Total	Small	......
Mud Lake—A. Neitzel, res. and bldgs.	Oct. 14	$5,000	None	Thresher
Oshawa—R. McEvers, garage and car	Oct. 16	Total	......	Unknown
Mt. Hamilton—Mrs. T. Howcroft, res.	Oct. 18	$1,000	......	Unknown
Gananoque—Capt. D. J. Henney, barn	Oct. 18	Total	......	......
Toronto—Taylor Oil Co. bldg.	Oct. 14	$7,000	Covered	Unknown
Maple Leaf Oil Co. bldg.	Oct. 14	$2,500	None	Unknown
Dunnville—Slingsby's Mill	Oct. 18	$1,000	......	Unknown
Toronto—J. Rutta, bldg.	Oct. 25	$700	......	......
Ottawa—J. Dufour & Sons, Ltd., garage and paint shop	Oct. 26	Total	......	......
Harrow—Smart & Hardy, elevator	Oct. 24	$8,000	Covered	......
MANITOBA				
Hartney—R. G. Sparrow, barn	Oct. 11	Total	......	Unknown
Carberry—G. Higgins, barn and horses	Oct. 13	Total	Partial	Gas. Eng.
SASKATCHEWAN				
Carlyle—T. Anderson, res.	Oct. 10	$500	None	Unknown
Englewood—A. Torgoff, res. and contents	Oct. 14	Total	......	Piping
ALBERTA				
Bellis—Bellis Farmers Supply Store	Oct. 15	Total	......	......
Red Deer—Rex Theatre	Oct. 15	$3,550	......	......
Strathmore—E. Wyndham, res.	Oct. 14	Total	......	......
BRITISH COLUMBIA				
Ladysmith—F. Hunter, res.	Oct. 14	Total	......	......
East Burnaby—F. Rious, res.	Oct. 16	$4,000	......	Unknown
Chilliwack—H. E. List, res.	Oct. 10	$3,000	$2,000	Unknown
So. Vancouver—Mrs. M. Anderson, res.	Oct. 14	$2,500	......	......

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Under the Sun Life "Salary Savings Plan," deposits for your life assurance are made by your employer monthly after deduction from your salary.

You obtain life assurance on the plan you prefer in a convenient way.

SUN LIFE ASSURANCE COMPANY OF CANADA

HEAD OFFICE : MONTREAL

The Independent Order of Foresters

Organized 1874

TOTAL BENEFITS

Paid to Members and their Beneficiaries

$87,000,000.00

Policies Issued from $1,000 to $5,000

G. E. BAILEY, Secretary — W. H. HUNTER, President — ALEX. STEWART, Treasurer

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Sound business methods demand that you insure yourself against accident and sickness, and protect your property against the hazard of fire and theft. Otherwise you carry tremendous financial liabilities on your own shoulders.

It is our business to assume such liabilities and to indemnify you in case of misfortune.

The British America Assurance Company of Toronto

Established 1833

PRESIDENT EMPIRE LIFE BEATS ALL HIS AGENTS

Making 800 Calls, He Closes 83 Policies for $205,000 of Business in Six Weeks

M. P. Langstaff, president and managing-director of the Empire Life Insurance Company, has just emerged from a gruelling competition with the district agencies of his company. Early in September, Mr. Langstaff wrote the various district agencies of the company that he would personally sell more life insurance in the next six weeks than any one agency of the company. His challenge was accepted and under the stimulus of the competition the company wrote a record amount of business during the period. Incidentally, Mr. Langstaff won out, with the really remarkable score of 83 policies for $205,000 insurance.

During this period of six weeks, Mr. Langstaff estimates he made some 800 calls, had perhaps 400 real interviews, and made 83 sales. The largest sales made were for $10,000 insurance; the smallest $500. Analyzed more fully, there were 4 cases closed for $500; 35 cases for $1,000; 19 cases for $2,000; 2 cases for $2,500; 2 cases for $3,000; 1 case for $4,000; 17 cases for $5,000; and 3 cases for $10,000.

This is the third year in succession that Mr. Langstaff has written over $200,000 of business for his company in competition of less than two months' duration. Mr. Langstaff draws no commission on this business.

NEW METROPOLITAN OFFICE

The ceremony of the laying of the corner stone of the new Metropolitan Life Canadian head office building at Ottawa, corner of Bank and Wellington Streets, will be held Wednesday, November 4th, at 2.30 p.m. Among those who will attend the function, will be President Haley Fiske, and A. F. C. Fiske, head of the Canadian Head Office, and a number of representative citizens of Ottawa.

At the present moment, the steel work of the second story of the building is practically completed, and no time is spared in pressing the work in order to accomplish the task in view, which is to have the edifice ready for occupation by the fall of next year.

Insurance Personals

NATHAN DAVIS has been appointed assistant manager in Edmonton for the Metropolitan Life Insurance Co.

T. S. DOUGLAS has been appointed assistant manager in Lethbridge for the same company.

When selecting a Trust Company as an Executor, choose one whose fixed policy is to give

Financial Assistance

to Estates being administered by it

PAID UP CAPITAL AND RESERVE $1,259,430.36

The Imperial Canadian Trust Co.

Executor, Administrator, Assignee, Trustee, Etc.

Head Office, Winnipeg.

Branches: Saskatoon and Calgary.

THE **Western Empire** Life Assurance Company

HEAD OFFICE

701 Somerset Building Winnipeg, Man.

Branch Offices:

SASKATOON, EDMONTON, CALGARY, VANCOUVER

THE CANADA NATIONAL FIRE INSURANCE COMPANY

HEAD OFFICE: WINNIPEG, CANADA

TOTAL ASSETS $2,928,337.62

TORONTO, 24 Adelaide St. W.

W. H. GEORGE, Superintendent of Agencies

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You cannot remove this condition by ordinary methods. But there is a sound, scientific, tried-and-proved solution—and that solution is interestingly, graphically demonstrated in our new booklet: "Who Uses Your Capital?"

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The NORTHERN LIFE ASSURANCE COMPANY OF CANADA

LONDON, ONTARIO — ESTABLISHED, 1897

The Sure Shield

[redacted]

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If you did, you could not get insured.

Your health is your family's most precious asset.

Capitalize it now for their future! Call in our agent.

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Established 1889

The DOMINION LIFE ASSURANCE COMPANY

Head Office: WATERLOO, Ontario

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RAYON has had a wonderful development and to-day is used in greater quantities than real silk.

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COURTAULDS, LIMITED

Earned 48.51% on its Common Stock in 1924

Descriptive Circular on Request

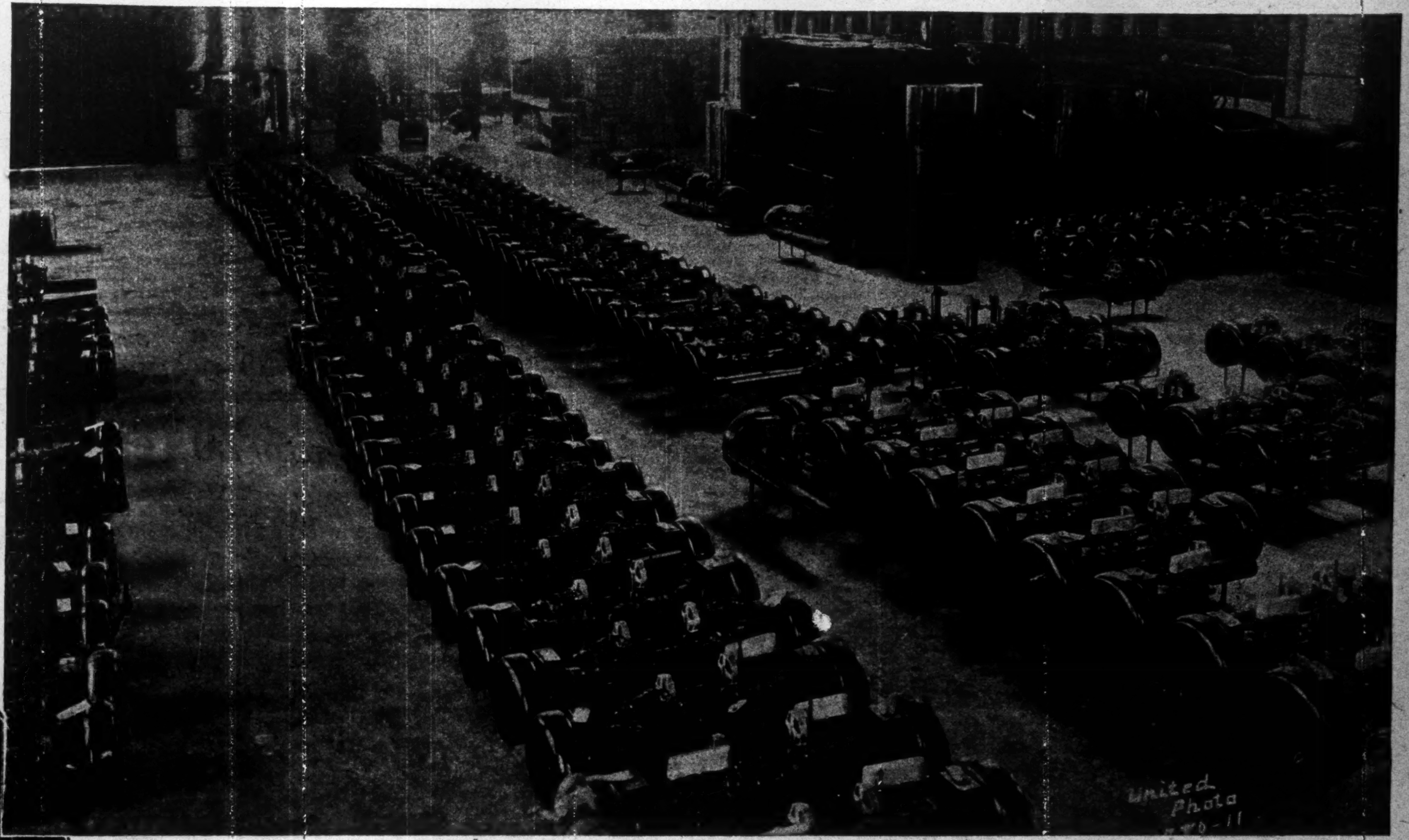
APEX SECURITIES COMPANY LIMITED

212 McGILL STREET - MONTREAL

"Tell Ontario Home Owners Not to Order a Ton of Coal"

wires President Williams, world's largest manufacturer of automatic oil burners, "we will have plenty of Oil-O-Matics before winter sets in"

The pictures shown on this page were rushed to us as encouraging evidence that all may have the comfort of perfect oil heat. The whole country is turning from coal to Oil-O-Matic heating. To meet the tremendous demand, two more factory units are being rushed to completion. Day and night, forces are working at top speed.



Here are a quarter of a million dollars worth of Oil-O-Matics all tested and ready for crating. All these have been sold, but new burners are being produced at the rate of 1000 a week. Orders are coming in faster than that, so immediate action is advised to all who plan to break the coal habit this year.

Left: Day and night, Oil-O-Matice are trucked into freight cars and shipped to all parts of the United States and Canada. Shipments are being made even to Shanghai, China. More Oil-O-Matics are being installed than any other oil burner. If you want everything that science can give you, Oil-O-Matic will be your choice, too. Get the facts to-day.

Below: Just a glimpse of the assembling department, where trained men carefully check each unit as they put it in place.

The Oil-O-Matic that is installed in your heating plant is not a mere assembly of parts that should operate successfully together. Here is one of the seven tests to which every burner is subjected—all assembled and actually installed in a standard furnace. No Oil-O-Matic ever leaves the factory until it has passed 100% each of the seven inspections, all parts guaranteed.

ANYONE who puts up with coal another season, is just postponing the relief and comfort oil heat will bring. Why delay the day when your home is heated with no more attention than its lighting? You can make the change now, without any inconvenience. Your same boiler or furnace is used. The same radiators or registers.

Instead of a coal bin and an overworked shovel, you have a storage tank for the oil and an automatic burner that does things you cannot hire men to do.

And with the coal, goes out all the dirt and drudgery. No more fires to build and nurse. No discomforts from chilly rooms in the early fall and late spring. No more semi-annual house cleanings.

If you think coal heat is convenient, let the furnace man quit some cold night. Or your wife refuse to shovel coal. Or wake up some bitter morning and find the fire out.

If you think coal is fairly clean, visit a neighbor's home where an Oil-O-Matic is installed and note the difference. Or look at your curtains, or behind pictures on the wall. Ask your wife how often dusting and cleaning must be done.

Your home isn't much different from others in Ontario that now have Oil-O-Matic heat. No doubt many are heating more rooms than you have in your house. And none of these would ever go back to coal.

Your furnace or boiler presents no problems that Oil-O-Matic isn't handling successfully in many of your neighbors' homes. All through last winter they enjoyed a degree of comfort unknown with coal.

Whether you are a handy man around the house or not, Oil-O-Matic will serve you equally well. You need know nothing of mechanics. After the novelty of showing it to your friends, you'll probably ignore it altogether.

But it will be there, faithfully supplying heat to every nook and cranny. Rooms that you have always had to close off in cold weather, may now be used as in summer.

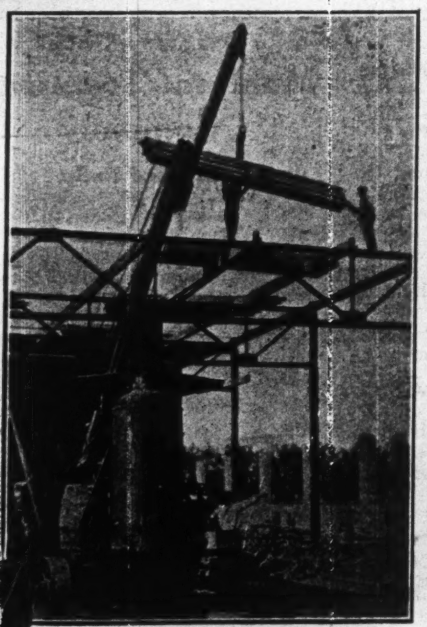
Oil heat is surprisingly simple in operation. All that you really see is the thermostat on the wall of one of your rooms. You set this at the degree of temperature you enjoy and forget it. Oil-O-Matic takes care of everything but keeping your tank full, and the oil dealer in town will do that for you.

As for cost—let Ontario owners tell you how much they saved over coal. We will gladly send you a list of our installations so that you can get the facts for yourself. Some Oil-O-Matic owners report savings of as much as 20%. All report infinitely better results than with coal, and none would part with their Oil-O-Matics unless able to replace with other Oil-O-Matics.

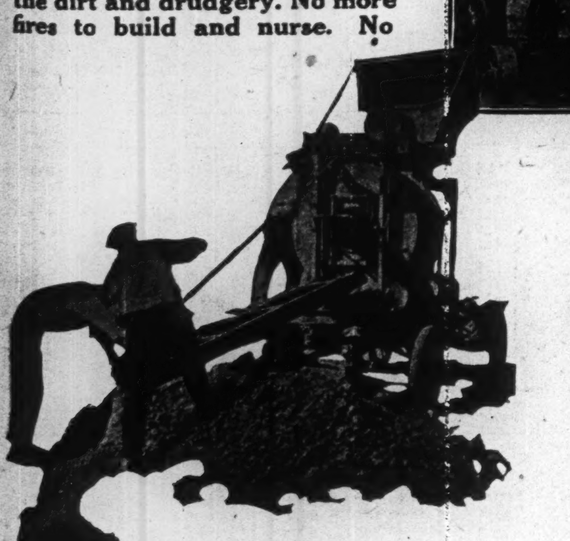
What are you going to do for heat this winter? With every other modern convenience in your home, why hang on to the only antique left?

If everyone in Ontario who wants an Oil-O-Matic this fall waits until cold weather is here, it will be impossible to take care of every installation in time. Place your order now, pay a part down, then take a year to pay the balance.

If you want more facts, clip and mail the coupon now. It will bring you without charge or obligation a library edition on oil heated homes. Also special plans for ideal use of your basement, and the full details of our offer. Send it now.



Above: Here's the last load of lumber being hoisted on the second unit of the great $600,000 Oil-O-Matic factory.



Left: The first load of concrete being laid for the foundation of the third unit.

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Cochrane McAlindon & McCormick
Fort William Plumbing & Engineering Supply Co.
Guelph Jack Richardson Plumbing & Heating Co.
Grimsby Wallace Bromley
Hamilton Oil-O-Matic Heating Company, Lister Bldg.
Haileybury F. R. Gibson
Hanover W. J. Servis
Kitchener Sheehy Bros., 136 Ontario St. S.
Kingston Stewart M. Robertson, 33 Brock St.
London Benson-Wilcox Electric Co., Dundas St.
North Bay J. M. MacPherson
Niagara Falls Park Whistler, 20 Barker St.

Oil-O-Matic Dealers in Ontario

Ottawa Milton E. Rous, Jackson Bldg.
Oshawa F. D. Garrard
Oakville Geo. W. Barrett
Paris Cunningham & Co.
Peterboro Wallace & Smith
Pembroke Dunlop & Co., Ltd.
Perth Walter Boston
Port Hope F. B. Robinson
Port Arthur Plumbing & Engr. Supply Co.
Renfrew John Conley & Co.
Smiths Falls H. Hagen & Co.
Stratford Peter & Sylvester
St. Catharines E. Cardwell
Sudbury Kutchaw Plumbing & Htg. Co.
Sault Ste. Marie Flockhart Bros., Queen St.
Toronto H. R. Foreman & Co., Ltd., 75 King St. W.
Timmins A. Brazeau & Son
Windsor District: Oil-O-Matic Heating Company, 110 Lawrence Rd., Ford City.
Woodstock Sheehy Bros., Market St.
Welland E. Caldwell

ROUGH WEATHER IN THE WEST MAY NOT BE SERIOUS

But Some Wheat Will Not be Threshed Until Spring

From Our Own Correspondent.

REGINA.—For over a month the farmers of Western Canada have been waiting and hoping for the weather to clear so that they might finish threshing. It is estimated that there are still about seventy-five million bushels of wheat in the stook. Snow storm succeeding snow storm, rain following rain, frost and cold and damp have made roads impassable, tied up farming operations generally on the heavy land and threshing gangs have been melting away and harvest hands drifting East and West while some alarmists have declared that the crop still unthreshed will probably be out all winter and have to be threshed in the spring with heavy depreciation in yield and quality.

Saskatchewan, as the banner wheat province, with estimated yield of about two hundred and forty million bushels of wheat this year and forty to a million bushels unthreshed, is not worrying as much as some would imagine. The very inclemency of the weather has been a blessing. There has been so much cold and frost that the wheat has not sprouted and while most of the wheat will probably go down a grade or two, the best authorities are agreed that the quality of the crop has not been seriously affected and with hopes of finer weather it is hoped that even with the scarcity of men, the bulk of the grain will yet be threshed this fall in fair condition.

Dr. Charles E. Saunders, discoverer of Marquis wheat and one of the world's greatest authorities on wheat, spent a week in Saskatchewan during the wet spell and stated that he did not consider the crop seriously damaged by the long spell of wet weather. The appearance of the wheat has, of course, been injured but a long series of experiments which Dr. Saunders carried on while Dominion cerealist proved conclusively that even repeated soaking and drying of wheat on the baking strength of the flour produced no ill effects but might even improve the quality, provided it did not go beyond a certain point.

Threshing Seventy Per Cent. Completed in Saskatchewan

REGINA.—A few districts report eight days threshing during the last two weeks, and in some districts it has only been possible to thresh for half a day. Generally about three or four days threshing has been done since October 3, according to telegraphic reports received by the statistics branch of the Saskatchewan Department of Agriculture.

Threshing had generally been resumed on October 19, but rain and snow starting October 21 halted operations in nearly all parts of the province. Although there are districts where very little threshing has been done taking the province as a whole, better than 70 per cent. of the threshing is completed. Many report that the wheat threshed since the rain is grading tough and will lose a grade or two through bleaching. Much of the wheat threshed before the rain is grading two and three northern or better.

EIGHT PER CENT. RISE IN CANADIAN EXPORTS

First Half of Fiscal Year Shows Increase in Sales to Europe

Trade reports for the first six months of the new fiscal year show a steady trend in the right direction. While imports have increased, exports have expanded by a larger amount, and the trade balance thus continues to swing in our favor.

For the twelve months ending with September the total exports of Canadian products amounted to $1,170,475,868 against a total of $1,086,177,945 for the previous twelve. This is an increase of $84,297,923, or nearly 8 per cent. Imports rose from $826,166,022 to $852,623,241.

In the case of trade with the United Kingdom, there was an increase of $41,989,861 in our exports, further improving our balance of trade with Great Britain as well as with the British Empire as a whole. Our exports to the United States rose $30,191,855, while imports from the United States increased by $11,299,261. Some of the increases in our trade with other countries were as follows: To British West Indies, approximately $1,000,000; to New Zealand $1,000,000; to Argentina, nearly $2,000,000; to Belgium, more than $2,000,000; to Brazil, $2,007,961; to Germany, nearly $14,000,000 and to Russia, nearly $14,500,000.

Details of the total exports and those to the United Kingdom and the United States follow:

	Canadian Exports Total	To U.K.	To U.S.
1923	$1,011,077,426	$377,635,380	$406,597,727
1924	1,086,177,945	391,098,049	419,825,124
1925	1,170,475,868	433,087,910	450,016,979

FISHING INDUSTRY PROSPEROUS

OTTAWA.—Fish, valued at $3,724,133, and weighing 153,606,500 pounds, were landed by Canadian fishermen on the Atlantic and Pacific coasts of the Dominion during the month of September, according to a report issued to-day by the Department of Marine and Fisheries. The month's catch is an increase of 44,751,000 pounds, valued at $834,118, over September of last year. Increased catches were recorded in cod, pollock, herring, pilchard and salmon.

Ordinary Life Paid up in 19 years!

Policy 31434
Amt. $3000
Prem. $93.30
Issued 1906
Age 30

This policy called for premiums payable during the policyholder's whole life time, but because of the profits earned by The Great-West Life, less than 19 premiums were required.

Protection with Profit

This fully paid-up policy will continue to participate in profits every five years.

32

The Great-West Life Assurance Company
Head Office — Winnipeg

MELLON'S POLICY TO ENCOURAGE BUSINESS IN INTERESTS OF ALL

(Continued from page 1)

newspaper correspondents behind him and a score of listeners scattered here and there Secretary Mellon, in a voice almost inaudible, gave his conception of what should be the financial policy of this richest nation on earth. There were no dramatics in his manner, not even a convincing gesture. He spoke of billions of debt and hundreds of millions of taxes as the head of a household might speak of the family budget.

The outlines of his plan—the "Mellon plan"—are almost as well known in Canada as here. When one of the committee asked, "Mr. Mellon, is it your idea that if you cut taxes to improve business, the improved business will give you the taxes," the secretary nodded and in these few words its outstanding characteristics was revealed without any intricacies of statistics or obscurities of speech.

Ever since the United States entered the war the financial policy has been resolute. The accomplishments since 1919 demonstrate this fact. On August 31, 1919, the gross debt was at its peak and amounted to about $26,600,000,000. Since that time it has been reduced by about $5,000,000,000, accounted for by the credits arising from treasury surpluses, reduction in treasury cash balances, utilization of principal and interest payments from foreign debtors and a sinking fund of $250,000,000 annually plus the interterest on redeemed bonds.

Surplus Means Lower Taxes

The country is now in the happy position whereby the revenue from taxation can be materially reduced without jeopardizing the desirable liquidation of the debt. For the fiscal year ending June 30, 1926, a surplus of about $300,000,000 under the present scale of taxation would accrue.

Secretary Mellon claims that the reform of the tax system by the reduction of the income surtaxes will not permanently reduce this surplus or the volume of the revenue. "It has been the experience of the treasury," he said, "that every time there has been a material reduction in surtaxes it has stimulated business and brought about an increase in taxable income which has made up a great part, if not all, of the loss in revenue from the higher incomes. What we should try to do in our taxing system is to get the lowest rates of tax consistent with adequate revenues. We want not only revenue to-day, but sources from which we can get revenue in the years to come. The point at which the most revenue can be derived with the least disturbance to business is one which cannot be determined with accuracy in advance, but at best it must be the result of experience, both in the treasury and by economists. Some place it is as low as 10 per cent., some at 15 per cent., but certainly it is not in excess of 25 per cent."

Tariff Gives Confidence

Listening to Secretary Mellon I could not but revert to the high scale of income taxation in Canada, ranging in the upper reaches almost to confiscation for which the war emergencies was the only justification. It was curious, too, to contrast this happy position of the United States with the strained financial politics in Canada. Here the tariff was not even mentioned. "The nation of cultivators, artificers and merchants," is apparently satisfied for the present with its policy. The plan of Secretary Mellon was proposed to continue the stimulus to that "spirit of enterprise" of which Alexander Hamilton spoke over a century ago.

To what extent Secretary Mellon is justified in his conclusions is still a matter of debate here. Certainly it is no longer contended in any quarter that high income or corporation taxes tend to be diffused or shifted so that "the consumer pays the taxes." That aspect was not even referred to in Secretary Mellon's remarks.

That high taxes diminish the volume of capital available for investment and interfere with the growth of national capital to some extent is, on the other hand, quite generally agreed. Whether in so reducing income they also discourage enterprise is a question by no means decided. The Statistics of Income, published by the treasury, reveal a wide variety or business profits even after payment of taxes. As the income taxes have the singular distinction of being imposed in such a way that the more the individual pays the more he has left, it would seem that no absolute statement can be made to their discouragement to initiative.

"The addition of a new energy to the general stock of effort," to use Hamilton's phrase, will come only when profits, after taxes is paid, are satisfactory.

12 PER CENT. RISE IN MOTOR CAR OUTPUT

Number of Trucks and Passenger Cars Both Up During First Three Quarters

The production of passenger cars and trucks in the United States and Canada has shown a sharp advancement over last year. For the first nine months of the year the totals in virtually all classes are materially above last year's figures. In passenger cars, the totals for both countries aggregate 2,789,463, against 2,615,441 for the first three quarters of last year. The total number of trucks made during the same period was 376,678, against 289,422 for the same period last year.

Taking the Canadian production alone, the number of passenger cars manufactured in the first three quarters of this year was 109,139 against 98,246 last year to same date, and 117,765 for 1924 complete. The number of trucks turned out was 16,301 in comparison with 13,440 for the same portion of 1924, and 17,481 for the whole year.

Follows a statement of passenger car and truck production in Canada last year and this, by months:

Total Motor Car Output, Canada 1924-25

Jan.	11,588	9,866
	Cars	Cars
Feb.	13,751	12,472
March	17,234	15,103
April	16,381	17,091
May	17,044	20,239
June	11,707	16,043
July	9,726	12,920
Aug.	6,316	8,866
Sept.	7,939	12,840
9 months	111,686	125,440
Oct.	7,627	
Nov.	7,043	
Dec.	8,890	

6½% for 20 Years

from a Sinking Fund Gold Bond, With Additional Profits Through Bonus Coupons.

Security guarantees absolute safety of principal.

This bond carries a bonus coupon participating to the extent of one-half of the net earnings of the Company.

Further particulars will be supplied on request.

Automotive Credit Corp.
LIMITED.
1319 Metropolitan Bldg., Toronto.

Big Game Hunting Along the Canadian Pacific

The great wildernesses of virgin forest are teeming with wild life. The giant moose, the graceful deer, the lumbering black bear and numerous other game animals are roaming the famous hunting regions of Ontario. Soon the woods will echo with gun and rifle shot as the boys each in turn secure the limit of game alloted by law.

North and west of the French and Mattawa Rivers, the deer season opens Oct. 25th to Nov. 30th, South of French and Mattawa Rivers the open season is Nov. 5th to Nov. 20th. There are numerous points along the Canadian Pacific, in the districts mentioned above, that will provide every satisfaction to the devotee of big game hunting.

For the accommodation of hunting parties special hunters' trains will be operated; these will take every care of the hunters and their baggage.

Make your preparations now. Any Canadian Pacific agent will gladly supply any information desired as well as render every assistance in the arrangements of movements of hunting parties.

Town of Assiniboia, Saskatchewan

Debentures for sale—$35,000.00

Sealed tenders addressed to the undersigned and marked "Tenders for debentures" will be received up to 5 p.m., Friday, October 30th, 1925, for the purchase of $35,000.00 Town of Assiniboia, 30-year, 6½ per cent. debentures. The highest or any tender not necessarily accepted. Full particulars will be supplied on application to the Town Clerk.

CHARLES J. LEE, Town Clerk.

THE A. W. Chase Company LIMITED

DIVIDEND NOTICE

Notice is hereby given that the regular 2% quarterly dividend on the 8% preferred stock of this Company has been declared for the quarter ending November 1st, 1925, payable November 10th, 1925, to shareholders of record October 31st, 1925.

By order of the Board.
W. J. STONE, President.

Toronto, October 21st, 1925.

The Canadian Bank of Commerce

Dividend No. 155

Notice is hereby given that a dividend of three per cent. upon the paid-up capital stock of this Bank has been declared for the quarter ending 30th November, 1925, together with a bonus of one per cent., payable at the Bank and its Branches, on and after Tuesday, 1st December next.

The Transfer Books of the Bank will be closed from the 16th November to 30th November next, both days inclusive.

By Order of the Board,
JOHN AIRD, General Manager.

Toronto, 23rd October, 1925.

Montreal Tramways Company

Dividend Notice

Notice is hereby given that a dividend of Two Dollars and Fifty Cents ($2.50) per share, for the quarter ended September 30th, 1925, has been declared upon the paid in Capital Stock of the Company, to Shareholders of record the 24th day of October, 1925, at 12 o'clock noon, and payable on the 2nd day of November, 1925.

By order of the Board.
PATRICK DUBEE, Secretary-Treasurer.

October 19th, 1925.

BANK OF MONTREAL

NOTICE is hereby given that a DIVIDEND OF THREE per cent. upon the paid up Capital Stock of this institution has been declared for the current quarter. A BONUS of TWO per cent. has also been declared for the year ending 31st October, 1925, both payable on and after TUESDAY, the FIRST day of DECEMBER next, to shareholders of record of 31st October, 1925.

By Order of the Board.
FREDERICK WILLIAMS-TAYLOR, General Manager.

Montreal, 16th October, 1925.

The Royal Bank of Canada

DIVIDEND No. 153 AND BONUS

NOTICE is hereby given that a DIVIDEND OF THREE PER CENT (being at the rate of twelve per cent per annum) upon the paid-up capital stock of this bank has been declared for the current quarter, also a bonus of two per cent for the year ending November 30, 1925, and that the same will be payable at the bank and its branches on and after Tuesday, the first day of December next, to shareholders of record at the close of business on the 31st day of October.

By order of the Board,
C. E. NEILL, General Manager.

Montreal, Que., October 13th, 1925.

THE BANK OF TORONTO

Dividend No. 177

Notice is hereby given that a Dividend of Three Per Cent. for the current quarter, being at the rate of Twelve Per Cent. per annum upon the Paid-Up Capital Stock of the Bank, has this day been declared, and that the same will be payable at the Bank and its branches on and after the FIRST day of December next to Shareholders of record at the close of business on the 14th day of November, 1925.

By order of the Board.
JOHN R. LAMB, General Manager.

The Bank of Toronto, Toronto, October 14th, 1925.

Wood, Alexander & James Limited

Notice of Dividend

The regular quarterly dividend at the rate of 7% per annum on the First Preference Stock of this Company has been declared payable November 1st, to shareholders of record October 26th.

W. J. CUNNINGHAM, Secretary.

Hamilton, Ont., October 24th, 1925.

Credit-Canada, Limited

DIVIDEND No. 10

Notice is hereby given that a dividend of 2 per cent., being at the rate of 8 per cent. per annum, on the paid-up Preferred Stock of this institution and a BONUS of 10 per cent. in Common Stock of the National Cement Company, have been declared for the current quarter, both payable on and after Thursday, October 15, 1925 next, to shareholders of record Sept. 15, 1925.

By Order of the Board,
LUC ROCHEFORT, General Manager.

SOUTHERN CANADA POWER COMPANY LIMITED.

Common Dividend No. 5

A DIVIDEND of One Dollar ($1.00) per share on the NO PAR VALUE COMMON STOCK OF SOUTHERN CANADA POWER COMPANY, LIMITED has been declared payable November 16th, 1925, to shareholders of record October 31st, 1925.

By order of the Board,
L. C. HASKELL, Secretary-Treasurer.

Montreal, October 23rd, 1925.

Return of the Chartered Banks of the Dominion of Canada, August 31, 1925

Made to the Minister of Finance in conformity with Section 112 of the Bank Act, Chapter 32, of The Statutes of 1923

LIABILITIES

NAME OF BANK	Notes in Circulation	Due to Dominion Government	Advances under Finance Act	Due to Provincial Gov'nm'ts	Demand Deposits in Canada	Notice Deposits in Canada	Deposits elsewhere	Bal. due to other Banks in Canada	Due to Banks in U.K.	Due to Banks elsewhere	Bills Payable	Letters of Credit	Other Liabilities	Dividends Declared & unpaid	Reserve Fund	Capital paid up	Total Liabilities	Capital authorized	% last dividend	Loans to Directors	Average gold and coin held	Average Dominion notes held	Greatest amount notes in circ.
	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	%	$	$	$	$
Montreal	43,011,095	17,295,730	....	3,373,457	132,612,407	359,065,656	73,856,783	2,170,893	1,407,103	3,398,585	954,876	12,047,407	541,769	908,777	29,916,700	29,916,700	710,477,945	31,175,000	12	1,259,641	15,341,082	51,906,246	43,610,318
Nova Scotia	13,752,292	914,584	....	1,679,332	28,181,812	113,641,779	33,626,297	2,330,161	81,470	1,131,599	567,934	4,540,386	30,923	6,068	19,500,000	10,000,000	229,984,642	15,000,000	16	1,323,613	9,332,240	8,134,988	13,898,354
Toronto	6,930,956	219,759	....	222,130	28,985,871	52,066,227	....	1,259,539	214,260	1,169,415	....	1,260,729	....	151,325	6,000,000	5,000,000	103,480,215	10,000,000	12	848,494	447,351	6,131,718	6,988,845
Provinciale	3,643,378	136,102	....	199,105	5,246,911	28,531,291	....	6,723	....	2,980	....	....	38,498	71,966	1,500,000	3,000,000	42,376,958	5,000,000	9	....	163,423	247,537	3,679,648
Union	7,255,760	248,966	....	2,341,232	24,973,379	49,680,912	990,912	60,023	2,711,368	343,299	....	677,053	....	164,466	1,750,000	8,000,000	99,197,375	15,000,000	8	877,757	1,098,383	5,630,800	7,255,760
Commerce	25,187,756	4,200,102	....	4,913,266	104,834,419	206,372,726	49,673,960	847,325	1,311,859	12,162,728	2,987,909	11,428,592	....	604,283	20,000,000	20,000,000	464,524,930	25,000,000	12	4,545,920	14,522,000	25,059,000	25,906,227
Royal	28,933,961	1,712,034	14,000,000	1,496,497	83,069,417	205,518,947	191,747,046	1,667,763	269,281	13,940,862	5,901,965	26,222,861	....	623,727	20,400,000	20,400,000	615,904,368	30,000,000	12	1,170,070	11,760,299	15,781,382	29,779,499
Dominion	6,808,342	447,515	2,000,000	106,447	25,345,702	57,632,988	1,915,389	732,709	253,120	1,143,372	135,800	2,391,284	450,737	830	7,000,000	6,000,000	112,364,239	10,000,000	12	761,957	2,124,000	3,692,000	7,023,975
Standard	6,163,625	208,893	3,700,000	599,160	15,674,070	46,810,321	....	1,136,816	369,377	939,084	....	439,389	186,776	8,270	2,900,000	4,823,400	83,959,187	5,000,000	12	600,790	855,835	2,918,650	6,163,625
Nationale	12,666,829	406,488	500,000	1,591,397	17,364,889	78,068,857	2,321,347	2,687	209,484	445,711	....	643,718	....	140,022	5,500,000	5,500,000	125,361,435	10,000,000	10	91,516	893,701	2,552,561	12,769,254
Imperial	9,447,529	1,165,230	....	2,382,975	26,537,483	62,103,849	....	496,906	26,769	52,528	....	482,105	....	8,485	7,500,000	7,000,000	117,203,863	10,000,000	12	223,969	1,102,788	7,640,146	9,672,553
Weyburn Security	452,322	57,886	....	25,777	1,734,672	1,881,934	....	....	....	19,165	....	....	63,308	400	225,000	524,560	4,985,026	1,000,000	5	92,376	22,424	53,809	528,097
Total	164,253,845	27,013,289	20,200,000	18,930,775	494,561,032	1,261,375,487	354,131,734	10,711,545	6,854,091	34,749,328	10,548,484	60,133,524	1,312,011	2,688,619	122,191,700	120,164,660	2,709,820,183	167,175,000		11,796,103	57,663,526	129,748,837	167,276,155

ASSETS

NAME OF BANK	Current Gold and Subsidiary Coin	Dominion Notes	Notes of other banks	United States and other foreign currencies	Cheques on other banks	Balances due from banks in Canada	Due from banks elsewhere	Government securities	Canadian municipal British and foreign Securities	Railway and other bonds and stock	Call loans in Canada	Call loans elsewhere	Other current loans in Canada	Other current loans elsewhere	Loans to Municipalities and to provinces	Non-current loans	Real estate other than premises	Mortgages on real estate	Bank premises	Letters of Credit	Deposit for note circulation	In central gold reserves **	Shares of and loans to controlled companies	Other assets	Total Assets
	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$
Montreal*	18,608,462	54,485,989	3,972,054	1,031,584	19,413,015	....	13,566,238	100,239,490	41,225,557	3,687,729	7,316,004	134,227,363	211,426,760	31,054,866	22,972,441	2,900,250	936,382	1,164,236	12,400,000	12,047,407	1,282,241	16,000,000	1,481,317	782,262	712,221,657
Nova Scotia	9,348,187	8,682,840	1,147,921	2,000,737	8,143,379	1,176	3,013,434	30,967,443	11,263,600	14,305,574	16,199,908	17,772,463	68,693,998	14,842,346	6,208,964	562,179	89,688	93,469	7,760,577	4,450,386	466,703	5,000,000	....	161,094	231,266,076
Toronto	450,838	5,169,788	512,420	147,211	5,633,553	197	5,133,411	18,805,984	7,811,691	3,085,661	9,799,519	....	38,209,802	....	3,093,852	228,896	....	62,642	3,401,882	1,260,729	249,267	2,555,866	....	....	105,613,216
Provinciale	164,988	290,869	667,905	107,997	1,753,335	3,023,469	310,170	5,343,796	1,277,004	1,876,808	7,725,069	....	15,518,803	....	1,111,646	200,909	184,745	102,295	1,692,866	....	155,800	700,000	....	225,275	42,433,756
Union	1,082,624	3,982,477	1,202,750	130,115	4,557,779	5,562	1,097,016	17,810,417	7,315,768	2,924,553	2,284,943	39,558	44,183,076	843,224	4,345,805	733,025	686,407	539,633	2,104,150	677,053	420,000	....	2,149,300	82,133	99,197,375
Commerce	10,069,213	19,936,622	2,355,920	1,935,759	15,048,893	8,340	13,962,324	59,131,200	26,958,080	8,592,231	19,188,074	26,221,065	171,228,201	29,093,389	23,263,141	2,413,428	2,291,447	661,665	11,786,020	11,428,592	1,000,000	9,000,000	1,628,533	608,379	467,810,528
Royal†	12,067,159	24,334,866	3,481,602	20,446,332	21,480,526	1,096	22,661,118	69,093,636	24,381,245	19,196,261	20,540,742	38,615,511	132,128,078	139,116,389	9,081,668	2,166,341	1,838,266	516,986	13,774,868	26,222,861	1,020,000	11,000,000	297,601	5,505,911	618,969,072
Dominion	2,145,390	4,833,141	983,145	242,884	4,354,929	10	1,447,320	15,552,485	5,914,170	2,352,690	8,673,050	1,902,858	51,641,791	2,220,838	680,335	362,526	79,486	20,096	6,049,989	2,391,284	310,000	1,200,000	....	442,859	113,801,283
Standard	876,676	3,153,463	577,980	110,552	4,059,203	....	1,112,779	12,975,929	3,752,178	1,521,689	8,466,484	....	38,057,163	....	2,347,660	751,234	279,225	191,988	3,756,864	439,389	258,000	1,500,000	....	98,690	84,287,153
Nationale§	975,020	2,975,174	1,702,965	358,643	4,054,385	508,190	980,052	20,442,712	10,375,278	1,366,044	6,226,754	....	57,996,395	552,247	1,410,128	236,350	1,545,958	853,099	5,298,383	643,718	283,419	7,300,000	....	221,657	126,306,581
Imperial	1,104,390	7,023,568	1,049,776	364,601	6,192,265	659,504	1,500,759	15,004,166	5,739,449	72,392	4,842,391	8,000,000	47,207,858	3,167,408	5,440,781	373,694	632,497	385,596	5,028,676	482,105	320,622	3,504,466	....	567,695	118,664,671
Weyburn Security	22,708	56,944	29,765	4,032	24,956	403,449	58,234	452,968	9,314	209,342	....	....	2,644,004	....	105,333	120,906	178,230	84,085	234,163	....	26,731	100,000	....	81,970	4,847,140
Total	56,915,655	134,925,741	17,684,203	26,880,447	94,716,218	4,610,993	64,842,855	365,820,226	146,023,334	59,190,974	111,262,938	226,778,818	878,935,929	220,890,707	80,061,752	11,049,738	8,742,331	4,675,790	73,288,438	60,133,524	5,792,783	57,860,332	5,556,751	8,777,925	2,725,418,50

**Of this deposit, $10,510,333 is in gold coin; the balance is in Dominion notes.

*The business of the bank in Paris, France, and in San Francisco, U.S.A., is carried on under the name of local incorporated companies and the figures are incorporated in the above statement.—Footnote to Bank of Montreal return.

†The Royal Bank of Canada (France) has been incorporated under the laws of France to conduct the business of the bank in Paris. As the entire capital stock of the Royal Bank in Canada (France) is owned by the Royal Bank of Canada, the assets and liabilities of the former are included in the above return. Pending compliance with legal requirements for the establishment of branches of The Royal Bank of Canada in the countries where the Bank of Central & South America, Inc., and its subsidiary companies carry on operations, the business of that bank, which has been purchased by The Royal Bank of Canada, is being continued, as formerly. As the entire capital stock of the Bank of Central & South America, Inc., is owned by The Royal Bank of Canada, the assets and liabilities of the former and its subsidiaries are included in the above return.—Footnote to Royal Bank return.

§The assets and liabilities of the Banque Canadienne Nationale, France, same being considered a branch operating as a subsidiary of the Banque Canadienne Nationale are included in above return.—Footnote to Banque Canadienne Nationale return.

DEPARTMENT OF FINANCE, OTTAWA, OCTOBER 7, 1925.